

833. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, urging increase of subsistence allowances for war veterans while pursuing educational courses; to the Committee on Military Affairs.

834. Also memorial of the General Court of Massachusetts, urging enactment of unemployment insurance for the maritime service; to the Committee on Ways and Means.

835. By Mr. SHEPPARD: Memorial of the Senate of the Legislature of California relative to memorializing the officers and agencies of the Federal Government to take immediate action for the conversion of the Kaiser steel plant at Fontana, Calif., to a peacetime industry; to the Committee on Postwar Economic Policy and Planning.

836. By Mr. WELCH: Senate Joint Resolution 19 of the California Legislature, relative to memorializing Congress to maintain the existing gold reserve ratios and to enact legislation to increase the monetary value of gold; to the Committee on Banking and Currency.

837. Also memorial of the Senate of the Legislature of California, relative to memorializing the officers and agencies of the Federal Government to take immediate action for the conversion of the Kaiser steel plant at Fontana, Calif., to a peacetime industry; to the Committee on Postwar Economic Policy and Planning.

838. By the SPEAKER: Petition of the board of directors of the Chamber of Commerce of Leavenworth, Kans., petitioning consideration of their resolution with reference to the formation of a Missouri Valley Authority; to the Committee on Rivers and Harbors.

SENATE

MONDAY, JUNE 4, 1945

(Legislative day of Thursday, May 31, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou whose throne is truth, frail creatures of dust, serving out our brief day on the world's vast stage, we would set our little lives in the midst of Thine eternity and feel Thy greatness and Thy peace. Though other helpers fail and comforts flee and bitter loss darkens our path, let the noontide of Thy grace and love remain, for—

"We fear no foe, with Thee at hand to bless;

Ills have no weight, and tears no bitterness."

And now, seeing in the fair and firm fabric of the Nation's life that we are compassed about by so great a cloud of witnesses to the reality and glory of God, steady our hands as to us is handed on the torch of righteousness with a new commission in this Thy glorious day, "Arise, shine, for thy light is come, and the glory of the Lord is risen upon thee." In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, June 1, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the joint resolution (S. J. Res. 66) to extend the statute of limitations in certain cases, with an amendment in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2502. A bill readjusting the rates of postage on fourth-class mail matter, and for other purposes; and

H. J. Res. 206. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

NOTICE OF MEETING OF CONGRESSIONAL WAR PARENTS' ASSOCIATION

Mr. O'DANIEL. Mr. President, as vice president of the Congressional War Parents' Association, I want to notify the Senators and Members of Congress, through the medium of the CONGRESSIONAL RECORD, of a meeting of the Congressional War Parents' Association to be held on Wednesday, June 6, at 4 in the afternoon.

The meeting will be held in the Appropriations Committee room of the House of Representatives. We would appreciate as good attendance of Senators as possible.

NOTICE OF ADDRESS ON CONDITIONS IN THE PHILIPPINES

Mr. TYDINGS. Mr. President, as the Senate knows, the Commission appointed by President Truman to visit the Philippine Islands has returned to Washington. Some time today I hope to have a chance to talk with the President about it, but on Thursday when the Senate convenes, or as soon after it convenes as I may obtain the floor, I should like to tell the Senate what we saw, what the conditions are, and, in a general way, what our recommendations are in reference to the Philippines, past, present, and future. I hope Senators may find it possible to be present, because it is very difficult to get an understanding of the Philippines without going there, and therefore I have brought back many photographs and other pertinent data, which I am hopeful will be helpful in assisting us to find a solution to the problems of the Philippines insofar as they are related to our own. Therefore, next Thursday, as soon after the Senate meets as possible, I shall try to tell those who may do me the honor to be present what we encountered on our mission, some of the things that have been going on in the Philippines, prospects for the future, and some solutions which we respectfully but humbly suggest as applicable to the present situation.

LEAVE OF ABSENCE

Mr. BARKLEY. Mr. President, I ask unanimous consent that the senior Sena-

tor from North Carolina [Mr. BAILEY] be excused from attendance in the Senate during the present week on account of important public business.

The PRESIDENT pro tempore. Without objection, the leave is granted the senior Senator from North Carolina.

CHRISTENING AND COMMISSIONING OF AIRCRAFT CARRIER "LAKE CHAMPLAIN"—CAPTAIN RAMSEY'S MESSAGE

Mr. AUSTIN. Mr. President, on yesterday in a double ceremony conducted at the Norfolk Navy Yard at Portsmouth, Va., the aircraft carrier *Lake Champlain* was made a living unit of the greatest fleet the world has ever seen. I observed while visiting the navy yard for 2 days the remarkable achievements that are now going forward under the very expert and highly qualified leadership of Rear Admiral C. H. Jones and an excellent—I would say superior—staff of experts. I took some pains to notice the personnel, the manpower, the masters, the manner in which the business of that great yard was being conducted, and I wish to testify from personal observation that I think it is one of the most magnificent operations I have ever seen, and I believe it to be one of the finest operations of this character that our Navy has ever undertaken. This great ship, the *Lake Champlain*, is a further evidence of the efficiency of the officers, masters, and the men who have been building up a large part of the Navy of the United States at the Norfolk Navy Yard.

In the course of this dual ceremony involving both the christening and commissioning of the vessel, which was the first one of its kind that has ever occurred in the case of a ship of this size, an address was delivered by Capt. Logan Ramsey, who commands this ship. Although brief, this was a very inspiring address, and the full complement of the ship was there on the flight deck to receive his message. There was also a large audience seated on this vast plane carrier. To show how simple and direct it was, I want to say that my grandson, of the age of 14, sitting beside me, leaned over at the end of the speech and said, "Even Ned and I understand that." I think that the address delivered by Captain Ramsey is of such stimulating value that I ask unanimous consent that it be published in the RECORD at this point.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Officers and men of *Lake Champlain*, you and I have become members of the ship's company assigned to this aircraft carrier of the *Essex* class. All of our sister ships have the same size, outward appearance, and general characteristics. Yet this new carrier of ours is, in many respects, quite different from the original *Essex*. Alteration after alteration has been made in the basic design—all derived from the combat experience of the fast carrier task forces. Our armament, both offensive and defensive, has been increased, our protection against battle damage has been strengthened, and our equipment has been improved and augmented.

Conservatively speaking, our striking power is half again that originally possessed by *Essex*. We will be materially better equipped to repel hostile attacks and to resist battle damage than was U. S. S. *Franklin*. Incon-

porated into the structure of this new home of ours are the latest design improvements that the brains of America could conceive, the finest equipment that its wealth could buy, and the soundest construction its brawn could build. Therefore it is my considered opinion that, today, the finest aircraft carrier ever built is the U. S. S. *Lake Champlain*.

This ship was made possible by the purchase of War bonds by the citizens of New York. It was built by the New Construction Department of the Norfolk Navy Yard. Hundreds of companies throughout the United States have supplied material for her machinery and her equipment. But now these and all others who have contributed to the building of this vessel have finished their task. They have given this ship of ours everything it requires with one exception—life. That is our job.

In a few moments, when the watch is set, *Lake Champlain* will become a distinct entity. Its personality will be formed by the integration of our individual strengths and weaknesses. From that moment on our personal desires, hopes, and ambitions will be of secondary importance to the welfare and fighting efficiency of the ship.

Each of us has been given training in the individual duties assigned us on board. Each of us must now learn how to coordinate his efforts with those of the man at the next battle station. We must work together, live together, learn together, and think together in order that we may fight together effectively. Our teamwork must be developed to the point where no officer or man is indispensable. Regardless of who may become incapacitated, there must be a trained relief ready to step in and take over so that *Lake Champlain* may continue in action and to inflict damage on the enemy.

Yet it is incumbent upon us to realize the importance of the individual—no matter what his duty may be. Each of you has been assigned a task that definitely contributes to our general welfare and a battle station which permits him to add to the battle efficiency of the ship. Remember that—and remember it always.

When we join the fleet, *Lake Champlain* is going to be judged by a very high standard—the one set by the other fast carriers who have preceded us into action. While it will be most difficult to equal their superb performance we can, and will, succeed.

Our course is set—the task ahead clearly defined. As your commanding officer, I face the future with pride and confidence—pride in this magnificent ship of ours and confidence in you—its crew. For I feel certain that, when the last battle of the war has been fought and *Lake Champlain* hoists her homeward bound pennant, you will have earned the right to say—

"I have fought a good fight,
I have finished my course.
I have kept the faith."

Commander DeWolfe—Set the watch.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report stating all of the facts and pertinent provisions of law in the cases of 201 individuals whose deportation has been suspended for more than 6 months under the authority vested in him, together with a statement of the reason for such suspension (with accompanying papers); to the Committee on Immigration.

PERSONNEL REQUIREMENTS

A letter from the executive assistant to the Secretary of Commerce, transmitting, pursuant to law, revised estimates of personnel requirements for the Bureau of the Census for the quarter ending June 30, 1945

(with accompanying papers); to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Banking and Currency:

"Senate Joint Resolution 19

"Joint resolution relative to memorializing Congress to maintain the existing gold reserve ratios and to enact legislation to increase the monetary value of gold

"Whereas the State of California is the leading gold-mining State in the Union, producing over \$45,000,000 in virgin gold during the last year of unrestricted operation before the war, with many of its communities existing because, and dependent upon, this industry; and

"Whereas any congressional action in regard to gold reserve ratios or gold valuation is of vital and special interest to California, particularly when cost of labor, materials, and equipment makes gold mining less profitable; and

"Whereas there is now pending before Congress S. 510, by Senator WAGNER, to reduce the gold reserve ratios provided by the Federal Reserve Act of 1913, in order that currency may be expanded; and

"Whereas as an alternative to such action, Representative ENGLE has introduced H. R. 2343 and Senators McFARLAND and SCRUGHAM have introduced S. 649, to continue existing gold reserve ratios required to be maintained against Federal Reserve notes in actual circulation and Federal Reserve bank deposits, by increasing the monetary value of gold; and

"Whereas by the latter proposal the dollar value of gold will be increased in precisely the same proportion and permit issuance of the same amount of currency as would be possible by reducing the reserve requirement, but without the inflationary dangers presented by the Wagner plan, and will at the same time benefit the gold-mining industry and do no harm in the international field: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature hereby expresses its opposition to S. 510 of the Seventy-ninth Congress, first session, and its approval of H. R. 2343 and S. 649 of said Congress, and hereby respectfully memorializes the President and the Congress of the United States to so act that the purpose sought to be achieved by H. R. 2343 and S. 649 may be effected; and be it further

"Resolved, That the Secretary of the Senate is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Federal Reserve Board."

A resolution adopted by the Oswego Advisory Committee, Fort Ontario Shelter, Oswego, N. Y., relating to the care of European war refugees at Fort Ontario Shelter, Oswego, N. Y.; to the Committee on Immigration.

By Mr. THOMAS of Oklahoma:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"Senate Concurrent Resolution 10

"Concurrent resolution memorializing Congress to amend the Federal income-tax law so that it will not discriminate against 40 States including Oklahoma, in favor of the 8 States having community property laws

"Whereas the Federal income-tax laws for years have made a discrimination in favor of

the 8 community property States and against 40 States including Oklahoma; and

"Whereas the Secretary of the Treasury of the United States in 1937 pointed out that the loss of revenue to the Federal Government due to this unjustifiable discrimination against the residents of 40 States amounts to millions of dollars; and

"Whereas said discrimination in favor of the residents of community property States has become increasingly sharp as Federal surtax rates have increased, and is now grossly unfair to Oklahoma and the other 39 States similarly situated; and

"Whereas due to this discrimination in the Federal income-tax law the State of Oklahoma may lose many of its residents to the State of Texas where they may cause one-half of their incomes to be reported by their wives and thus avoid paying the higher income taxes they would have to pay on the same income if they remained in Oklahoma; and

"Whereas it is evident that the Federal income-tax law should be amended to set aside this unjust and unreasonable discrimination and to provide that Federal income taxes shall be collected on the same basis, and in the same amount regardless of whether such income is earned by a resident of one of the 8 community property States or by a resident of one of the 40 States not having the community property system: Now, therefore, be it

"Resolved by the Senate of the Twentieth Legislature of the State of Oklahoma (the House of Representatives concurring therein):

"SECTION 1. That the Congress of the United States of America be and it is hereby memorialized to amend the Federal income-tax law so that it will not discriminate against the 40 States of the Union not having the community property system in favor of the 8 States having community property laws, but will provide that Federal income taxes shall be collected on the same basis and in the same amount regardless of whether such income is earned by a resident of 1 of the 8 community property States or by a resident of 1 of the 40 States not having the community-property system.

"Sec. 2. That the Members of the Oklahoma delegation in Congress be, and they are hereby, requested to diligently endeavor to have the Congress of the United States of America amend the Federal income-tax law as herein requested.

"Sec. 3. That the secretary of the senate be, and he is hereby, directed to forward a copy of this resolution to each House of the Congress of the United States of America, and to each Member of the Oklahoma delegation in Congress."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Indian Affairs:

"Senate Concurrent Resolution 24

"Concurrent resolution memorializing the Congress of the United States of America to speedily enact legislation to create an Indian Claims Commission for the special purpose of considering, adjusting, and settling Indian claims against the Government

"Whereas for many years Indian tribal claims involving millions upon millions of dollars have been prosecuted against the United States Government without satisfactory results to either the Government or to the Indians, and until these claims are settled or adjusted they will continue to be prosecuted at an enormous expense to both the Government and the Indian tribes; and

"Whereas the administration of Indian affairs in the United States is being continually hamstrung because of these pending claims, which involve the broad proposition of Government guardianship over its Indian wards, and not until said claims have been

settled or adjusted may it be reasonably expected that this obstacle will be leveled; and

"Whereas the basis of these claims emanate from solemn treaties entered into between the United States and many of the Indian tribes, and at this time when our Nation is fighting to maintain national and international integrity, it is well to lay a proper predicate at home for carrying out solemn obligations in order that the example might well be followed all over the world; and

"Whereas the two major political parties in their respective platforms in 1940 advocated and recommended that some effective legislation be enacted for the purpose of settling and disposing of Indian claims. The Democratic platform providing as follows:

"We favor and pledge the enactment of legislation creating an Indian Claims Commission for the special purpose of entertaining and investigating claims presented by Indian groups, bands, and tribes, in order that our Indian citizens may have their claims against the Government considered, adjusted, and finally settled at the earliest possible date."

"And the Republican platform provided as follows:

"We pledge an immediate and final settlement of all Indian claims between the Government and the Indian citizenship of the Nation; and

"Whereas the passage of such proposed legislation will keep faith with such pledges; and

"Whereas the present procedure for handling Indian claims is inadequate, expensive, and unsatisfactory, and in all likelihood the Court of Claims will be overburdened and cluttered with claims arising out of the present war; and

"Whereas the Honorable W. G. STIGLER, Congressman from the Second District of Oklahoma, has introduced in the House of Representatives House bill 1198, the provisions of which are in keeping with the foregoing pledge of the major political parties; and

"Whereas the enactment of such a bill will provide a feasible and expeditious method

for disposing of Indian claims against the United States: Now, therefore, be it

"Resolved by the State Senate of the State of Oklahoma (the House of Representatives of the said State concurring therein), That the Congress of the United States be, and it is hereby, memorialized to speedily enact legislation to accomplish these purposes in keeping with the foregoing pledges; be it further

"Resolved, That a copy of this resolution be furnished each member of the Oklahoma delegation in Congress, and the chairman of the Committee on Indian Affairs of the House of Representatives of the United States, and of the Senate of the United States, and the Commissioner of Indian Affairs and the Secretary of the Interior."

INVESTIGATION OF VETERANS' ADMINISTRATION

Mr. LANGER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD, a resolution adopted at the regular meeting of Tim Running Post No. 24, American Legion, held at Devils Lake, N. Dak., on May 7, 1945, favoring an investigation of the Veterans' Administration.

There being no objection, the resolution was received, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas it has come to our attention that certain charges have been made against the Veterans' Administration, charging that the Administration is entwined with red tape and so immune to new ideas in treatment and otherwise that delays, neglect, inefficiency, and callous indifference to human values have characterized its operations; and

Whereas an investigation of the Veterans' Administration is now pending, so that the truth of these charges may be determined; and

Whereas it has further been charged that the power and authority of the Veterans' Administration is too centralized in Wash-

ington so that inefficiencies and delays occur: Now, therefore, be it

Resolved, That we favor the thorough investigation of the Veterans' Administration, so that the truth or falsity of these charges may be determined and so that the Veterans' Administration may be made more competent to render services for the returning veterans; and be it further

Resolved, That we ask our Senators and Representatives in Congress to aid and assist in such investigation to see that the Veterans' Administration is so constituted so as to give prompt, efficient and sympathetic consideration to the veterans of all wars, and that a copy of this resolution be sent to our two Senators and Representatives in Congress.

MAXWELL BOYD,
Post Commander.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. ELLENDER, from the Committee on Claims:

H. R. 2031. A bill for the relief of Betty Ellen Edwards; without amendment (Rept. No. 323); and

H. R. 3074. A bill for the relief of the heirs of Henry B. Tucker, deceased; without amendment (Rept. No. 324).

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate reports for the month of May 1945, from the acting chairman and chairmen of certain committees, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which were ordered to lie on the table and to be printed in the RECORD, as follows:

JUNE 4, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the

names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of May, in compliance with the terms of Sen-

ate Resolution 319, agreed to August 23, 1944:

| Name of individual | Address | Name and address of department or organization by whom paid | Annual rate of compensation |
|--------------------------|--------------------------------|---|-----------------------------|
| John F. Feeney..... | 1425 Rhode Island Ave. NW..... | General Accounting Office, Washington, D. C..... | \$6,400 |
| Harold E. Merrick..... | 506 Aspen St. NW..... | do..... | 4,800 |
| Thomas J. Scott..... | 1210 34th St. SE..... | Federal Bureau of Investigation, Department of Justice, Washington, D. C..... | 4,800 |
| Mrs. Mamie L. Mizen..... | 1434 Saratoga Ave..... | District of Columbia government..... | 3,500 |

KENNETH McKELLAR, Acting Chairman.

SUBCOMMITTEE ON WARTIME HEALTH AND EDUCATION

JUNE 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the

name of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of May, in compliance with the terms of Sen-

ate Resolution 319, agreed to August 23, 1944:

| Name of individual | Address | Name and address of department or organization by whom paid | Annual rate of compensation |
|--|--|---|-----------------------------|
| Lauretta April..... | 2714 Quarry Rd. NW., Washington, D. C..... | War Production Board, 3d and Independence Ave. SW..... | \$3,200 |
| Groff Conklin..... | 514 2d St. NW., Washington, D. C..... | do..... | 5,600 |
| Philip C. Curtis..... | 4303 Russell Ave., Mount Ranier, Md..... | Navy Department, 18th and Constitution Ave. NW..... | 3,800 |
| Richard P. Daniels..... | 1743 Columbia Rd. NW., Washington, D. C..... | Federal Public Housing Authority, 1201 Connecticut Ave. NW..... | 1,440 |
| Marion Dillon..... | 3639 Minnesota Ave. SE., Washington, D. C..... | Navy Department, 18th and Constitution Ave. NW..... | 3,200 |
| Ruth Fine..... | 804 Houston Ave., Takoma Park, Md..... | Federal Public Housing Authority, 1201 Connecticut Ave. NW..... | 2,000 |
| Rose Gerber..... | 2513 14th St. NE., Washington, D. C..... | Navy Department, 18th and Constitution Ave. NW..... | 2,000 |
| Joseph McMurray..... | 120 C St. NE., Washington, D. C..... | Department of Labor, 14th and Constitution Ave. NW..... | 4,600 |
| Carl Malmberg..... | 1813 F St. NW., Washington, D. C..... | Federal Security Agency, 1825 H St. NW..... | 5,600 |
| Love Morgan..... | 1007 18th St. SE., Washington, D. C..... | Veterans' Administration, Vermont Ave. and 1 St. NW..... | 2,000 |
| Ruth Morgenstein..... | 3022 Rodman St. NW., Washington, D. C..... | do..... | 2,600 |
| Sari Schwartz..... | 1701 16th St. NW., Washington, D. C..... | Federal Public Housing Authority, 1201 Connecticut Ave. NW..... | 2,000 |
| Lt. Leslie Falk, AUS, Medical Corps..... | 2804 Terrace Rd. SE., Washington, D. C..... | U. S. Army, Pentagon Bldg..... | 2,000 |
| Lt. Comdr. John B. Truslow, Medical Corps, USNR..... | 2007 Peabody St., West Hyattsville, Md..... | U. S. Navy, 18th and Constitution Ave. NW..... | 3,000 |

¹ On extended leave without pay.

CLAUDE PEPPER, Chairman.

UNITED STATES SENATE,
COMMITTEE ON MILITARY AFFAIRS,
May 31, 1945.

HON. KENNETH MCKELLAR,
President, United States Senate,
Washington, D. C.
DEAR MR. PRESIDENT: Pursuant to Senate

Resolution 319, I am transmitting herewith a list of employees of the War Contracts Subcommittee of the Senate Committee on Military Affairs who are not full-time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the department paying

the salary of such employee, and the annual rate of compensation for each such employee.

Respectfully yours,
JOSEPH C. O'MAHONEY,
Chairman, War Contracts Subcommittee.

| Name of individual | Address | Name and address of department or organization by whom paid | Annual rate of compensation |
|--------------------------------|---|---|-----------------------------|
| Kurt Borchardt..... | 6007 34th Pl. NW, Washington, D.C..... | Smaller War Plants Corporation, Washington, D. C..... | \$5,600 |
| Ward Bowman ¹ | Wilton Woods, Alexandria, Va..... | Justice Department, Washington, D. C..... | 6,500 |
| Bertram M. Gross..... | 613 South Quincy St., Arlington, Va..... | Navy Department, Washington, D. C..... | 8,600 |
| Hilda Hamilton..... | 705 18th St. NW., Washington, D.C..... | Reconstruction Finance Corporation, Washington, D. C..... | 2,200 |
| Doris Phippen..... | 40 Plattsburgh Court NW., Washington, D. C..... | Navy Department, Washington, D. C..... | 2,200 |

¹ Mr. Bowman devoted approximately 50 percent of his time to the subcommittee.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER:

S. 1084. A bill for the relief of John C. May and Eva Jenkins May; to the Committee on Claims.

By Mr. THOMAS of Oklahoma (for himself and Mr. Moore):

S. 1085. A bill to provide for payment of travel and other expenses of members of the tribal council, business committees, or other tribal organizations, of the Osage Tribe of Indians in Oklahoma;

S. 1086. A bill to prohibit the collection of fees by the Secretary of the Interior for administration of the funds of restricted Indians; and

S. 1087. A bill to amend section 27 of the act of May 18, 1916 (39 Stat. 159), an act making appropriations for the Bureau of Indian Affairs for the fiscal year ending June 30, 1917; to the Committee on Indian Affairs. (Mr. WILEY introduced Senate bill 1088, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. LANGER:

S. 1089. A bill to amend the act entitled "An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended," approved January 24, 1942, and for other purposes; to the Committee on Civil Service.

S. 1090. A bill to amend title III of the Servicemen's Readjustment Act of 1944 so as to increase the limitation on amounts of loans which may be guaranteed by the Administrator of Veterans' Affairs under such act; to the Committee on Finance.

S. 1091. A bill relating to venue in prosecutions for offenses against the laws of the United States; to the Committee on the Judiciary.

S. 1092. A bill to prohibit the appointment of persons of less than one-half Indian blood to the Office of Commissioner of Indian Affairs; and

S. 1093. A bill to provide for removal of restrictions on property of Indians who serve in the armed forces; to the Committee on Indian Affairs.

S. 1094. A bill to amend the Railroad Retirement Act of 1937, as amended, so as to provide for retirement of individuals who are 63 years of age or over and who have completed 40 years of service; to the Committee on Interstate Commerce.

S. 1095. A bill to amend the Mustering-Out Payment Act of 1944 so as to increase the amounts payable under such act; to the Committee on Military Affairs.

S. 1096. A bill to establish the methods of advancement for post-office employees in the field service; to the Committee on Post Offices and Post Roads.

JURISDICTION OF CIRCUIT COURT OF APPEALS IN HABEAS CORPUS PROCEEDINGS

Mr. WILEY. Mr. President, I ask unanimous consent to introduce, for ap-

propriate reference, a bill to relieve judges of the circuit court of appeals of jurisdiction to grant writs of habeas corpus. I ask that the bill be printed in the RECORD.

There being no objection, the bill (S. 1088) to relieve judges of the circuit courts of appeal of jurisdiction to grant writs of habeas corpus was received, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That subsection (a) of section 6 of the act entitled "An act to amend the Judicial Code, and to further define the jurisdiction of the circuit courts of appeals and of the Supreme Court, and for other purposes," approved February 13, 1925, is amended to read as follows:

"(a) In a proceeding in habeas corpus in a district court, or before a district judge, the final order shall be subject to review, on appeal, by the circuit court of appeals of the circuit wherein the proceeding is had."

SEC. 2. Subsection (c) of such act is hereby repealed.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942—AMENDMENT

Mr. WILEY. Mr. President, I ask unanimous consent to submit an amendment intended to be proposed by me to the joint resolution (S. J. Res. 30) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, which I ask may be printed in the RECORD and lie on the table.

There being no objection, the amendment was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

At the end of the joint resolution insert a new section, as follows:

"SEC. 3. Section 2 of the Emergency Price Control Act of 1942, as amended, is amended by inserting at the end of such section a new subsection, as follows:

"(n) In establishing or maintaining maximum prices under this act or otherwise in the case of collect-on-delivery sales of any commodity where under established practices of the seller a uniform charge is added to the price to cover mailing costs, an increase in maximum prices shall be allowed equivalent to any increase in such costs heretofore or hereafter resulting from increased postal rates or charges."

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by their titles and referred, as indicated:

H. R. 2502. An act readjusting the rates of postage on fourth-class mail matter, and for

other purposes; to the Committee on Post Offices and Post Roads.

H. J. Res. 206. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code; to the Committee on Finance.

INVESTIGATION OF COTTON AND OTHER PRODUCTS IN ROAD BUILDING

Mr. LANGER. Mr. President, I ask unanimous consent to submit, for appropriate reference, a resolution providing that the Committee on Post Offices and Post Roads, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to the use of cotton products and byproducts and synthetic rubber made from waste products in the building of roads, and so forth.

There being no objection, the resolution (S. Res. 131) was received and referred to the Committee on Post Offices and Post Roads, as follows:

Resolved, That the Committee on Post Offices and Post Roads, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to the use of cotton products and byproducts and synthetic rubber made from waste products in the building of roads, with a view to ascertaining (1) the extent to which such products are being used for such purposes, and (2) means by which such use may be increased during the postwar period. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation together with such recommendations with respect to necessary legislation as it deems desirable.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed \$, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

BRETTON WOODS—ADVERTISEMENT FROM WASHINGTON POST

[Mr. HATCH asked and obtained leave to have printed in the RECORD an advertisement entitled "We Believe Bretton Woods Is Good Business," from the Washington

Post of May 13, 1945, which appears in the Appendix.]

DUCK DAMAGE TO CROPS—ARTICLE FROM BOTTINEAU COURANT

[Mr. LANGER asked and obtained leave to have printed in the Record an article entitled "Duck Damage to Crops Stressed in Union Resolution," from the Bottineau (N. Dak.) Courant of May 2, 1945, which appears in the Appendix.]

PROPOSED FEDERAL FAIR EMPLOYMENT PRACTICE COMMISSION

Mr. BILBO. Mr. President, I want to read a paragraph from a letter written by Hon. DeWitt Emery, president of the National Small Business Men's Association, with national headquarters at Akron, Ohio. The letter is dated May 31, 1945, and in it Mr. Emery says:

An effort is being made to create a permanent Federal Fair Employment Practice Commission, which would be about the worst thing that could happen to business. This bill—H. R. 2232—would set up a Federal bureau practically unlimited as to both size and authority. A comprehensive analysis of H. R. 2232 has been made by Congressman CLARK FISHER, of Texas, and I'd suggest that you ask him to send you a copy. His address is House Office Building, Washington, D. C. We are working with a number of other associations to defeat this bill.

I not only want to place before my colleagues the opinion of the National Small Business Men's Association but I want also to show how erroneous is the idea some people have sought to disseminate in the minds of the American people that the only opposition to the FEPC is southern opposition.

In further confirmation of the fact that that is not a true statement, I ask that the list of the trustees of the National Small Business Men's Association, whose president wrote this letter, the companies with which they are connected, and their location, be made a part of my remarks.

There being no objection, the matter was ordered to be printed in the Record, as follows:

TRUSTEES

W. J. Boos, Walk-Easy Foot Rest Manufacturing Co., St. Louis, Mo.

C. R. Boyd, H. C. Boyd Lumber Co., Coraopolis, Pa.

Harry E. Brinkman, Foto-Lith, Inc., Cincinnati, Ohio.

DeWitt Emery, Monroe Letterhead Corp., Akron, Ohio.

L. M. Evans, Elliott & Evans, Inc., Cleveland, Ohio.

W. W. Gail, Gail-Billings Advertising Co., Billings, Mont.

Dr. Alfred P. Haake, economist, Park Ridge, Ill.

D. H. Holloway, Insurance and real estate, Akron, Ohio.

Wilbur A. Jones, Northrop-Jones Co., Omaha, Nebr.

A. F. Mathews, Consolidated Freight Co., Saginaw, Mich.

Monroe Shakespeare, Shakespeare Co., Kalamazoo, Mich.

Russell Stover, Stover Candy Co., Kansas City, Mo.

J. Raymond Tiffany, attorney, Hoboken, N. J.

James S. Westbrook, investments, Bridgeport, Conn.

NOTICE OF HEARINGS ON MISSOURI VALLEY AUTHORITY BILL

Mr. OVERTON. Mr. President, I wish to announce that at a meeting of the Subcommittee of the Committee on Irrigation and Reclamation it was unanimously resolved that hearings on Senate bill 555, the Missouri Authority bill, will begin here in Washington on Monday, September 17.

Mr. LANGER. I did not hear the announcement. What date did the Senator mention?

Mr. OVERTON. Monday, September 17. I express the hope that all interested will be ready and prepared to be present at that time, or immediately thereafter, during the period in which the hearings will be conducted. When I have further information as to the number of witnesses who desire to appear I shall undertake to fix a definite schedule of days for the proponents and the opponents. I wish to say, however, that in view of the fact that the proponents wanted an earlier date and the opponents wanted a later date, we held a hearing upon that question, and after listening to both sides, the subcommittee was unanimously of the opinion that the hearings should not begin until September 17.

NATURALIZATION OF HANS WILLIAM ROHL

Mr. LANGER. Mr. President, former Senator Nye inserted a broadcast in the CONGRESSIONAL RECORD on December 7, 1943, Appendix, page A5315. Since that broadcast a report was submitted to the House of Representatives by Mr. MAY, of the Military Affairs Committee, on June 14, 1944, Report No. 1638, which refers to the naturalization of Hans William Rohl. A committee of the State Senate of California submitted a report on the same subject matter, which report was submitted by Senator Jack B. Tenney, of Los Angeles County, on April 16, 1945, page 1425, Journal, State Senate of California.

The report of the Committee on Military Affairs to the House of Representatives contained the official record of the proceedings before United States District Judge J. F. T. O'Connor, of Los Angeles, as follows:

Inquiry was made of the local office of the Federal Bureau of Investigation regarding this alien, immediately following the filing of his petition for naturalization, with negative results.

Mr. Rohl's petition for naturalization was heard by the court on September 15, 1941, along with the petitions of other aliens. It was the practice at that time, when a case had facts to be presented to the court, to prepare a written report to the court reciting the relevant facts. Enclosed herewith is a copy of this report to the court. The facts in the case were presented to the court without objection and without recommendation. After considering the facts the court entered an order admitting Mr. Rohl to citizenship on September 15, 1941.

"83608, HANS WILHELM ROHL—PETITION FILED MARCH 10, 1941

"No objection will be made to the granting of this petition. For the information of the court, however, the results of the investigation made in connection with the case are herewith presented.

"The petition was filed on March 10, 1941, under the provisions of section 310 (a) of the Nationality Act of 1940, which grants certain exemptions from the usual requirements of the naturalization law to the spouse of a United States citizen and which requires proof of good character for a period of at least 1 year immediately preceding the filing of the petition.

"The petitioner was born in Germany in 1886 and has resided in the United States since 1913. From about 1916 to 1925 he lived with one Marion Henderson in the State of California, but they were not legally married, and no marriage ceremony of any kind was performed. As a result of this relationship four children were born to them. On April 22, 1925, they entered into a written agreement under the terms of which Marion Henderson was to have the use of the home property in Sacramento, Calif., and to receive \$70 per month during her lifetime or until she should marry. He was also to pay her \$45 per month for the support of each child during minority. The investigation shows that the terms of this agreement have been fulfilled by the petitioner. He married his present wife, who is a citizen of the United States, on August 26, 1925, and has resided with her continuously since then.

"There is some evidence to indicate that the petitioner has represented himself as a United States citizen. The petitioner has stated, however, that he has never believed himself to be a citizen and has never willfully represented himself as a citizen of the United States.

"In 1932 the petitioner made 10 or 12 trips to Mexico in connection with a contract which he had to build roads there and on these trips left and reentered the United States at Laredo, Tex. The Immigration Service has reported that it has no record of his inspection upon his returns from these absences. The petitioner states that he was never questioned as to his citizenship but was only asked where he lived and was permitted to reenter the United States.

"On September 3, 1933, the petitioner arrived at San Diego, Calif., on the yacht *Ramona*, which was registered in the name of his wife, on a trip from New York. He was not listed on the manifests as a passenger or member of the crew, and there is no record that he was inspected as required by the immigration law. The petitioner has stated that the immigration officers came aboard but that he was not asked any questions by them.

"On January 21, 1938, the petitioner arrived at Honolulu, T. H., on the yacht *Vega*, which was registered in the name of his wife, on a trip from Jacksonville, Fla. The manifest data on file with the Immigration Service show that he was manifested as having been born in Kansas, and he was, therefore, not inspected. The petitioner has stated that he did not claim to have been born in Kansas and he was not asked any questions by the immigration officers.

"All of the facts in connection with the petitioner's reentries into the United States were presented to the Department in Washington, and it was decided on July 10, 1941, that, in view of all of the evidence, it was not a proper case in which to institute deportation proceedings.

"The records of the Bureau of Internal Revenue show that for the past several years it has been shown on the petitioner's income-tax returns that he is a citizen of the United States. The petitioner has stated that his returns were made out by an auditor; that he only went over the work sheets with the auditor and did not know that the completed forms showed that he was a citizen and that he believes the auditor assumed he was a citizen and he is certain that he did not state to him that he was. It is understood that the classification as a citizen

would not have changed the amount of the tax.

"The records of the Customs Service, Los Angeles, show that the Rohl-Connolly Co., of which the petitioner is the president, owned and operated a number of vessels from 1934 to 1940 in violation of the law in that the petitioner, who was the president of and a stockholder in the company, was an alien. The penalty provided is forfeiture of the vessels. The petitioner, however, made a cash settlement of the claim against the company on September 4, 1941, of \$25,000. It does not appear that there was a willful violation of the law and no criminal action is contemplated.

"The petitioner is the president of the Rohl-Connolly Contracting Co., located at 4351 Valley Boulevard, Los Angeles, and has been awarded a secret contract in connection with a defense construction project in Honolulu. His participation in this project is being held up until he has been naturalized."

As the lawful spouse of an American citizen, he was entitled, under section 310 (a) of the Nationality Act of 1940, to make direct application for citizenship.

Mr. President, I am advised the official record further shows that, instead of the petitions of 2 other aliens being considered by the court at the time the Rohl petition was being considered there were 27 other petitions of aliens before the court and 9 civil matters; among the civil matters was one of the famous cases tried in California, known as the United States versus Ballard, which went to the Supreme Court of the United States. The courtroom was crowded. It was evidently an error to say that this was a "special hearing."

The State of California Joint Fact-Finding Committee on Un-American Activities made its report on this same matter to the State Senate of California on April 16, 1945, Senate Journal, page 1425. The report was presented by Senator Jack B. Tenney, Los Angeles County, and I quote from that report on the Rohl matter as follows:

When the immigration investigators had completed their work they recommended that Rohl's application for citizenship be denied and that he be prosecuted for violation of the Federal law. The report and recommendation of the investigators was made to the Chief of the Naturalization Bureau. In spite of the report and recommendation, no objection was raised by the Department of Justice in the memorandum handed the Federal district judge in the naturalization proceedings. Rohl was granted citizenship September 15, 1941, in the Federal district court in Los Angeles by Judge J. F. T. O'Connor.

It should be stated here that no implication of any kind is raised against Judge J. F. T. O'Connor. The chairman of the committee and its investigators have carefully examined the records of Judge O'Connor's court for September 15, 1941, and find no irregularities whatsoever in connection with the granting of citizenship to Rohl. The file of the Immigration and Naturalization Service and the recommendation of the Federal agents were not before Judge O'Connor at the time naturalization was granted. The memorandum before the judge at the time of Rohl's hearing stated that "No objection will be made to the granting of this petition," and concluded with the statement that the petitioner, as president of the Rohl-Connolly Contracting Co. had "been awarded a secret contract in connection with a defense construction project in Honolulu" and that "his participation in this project is be-

ing held up until he has been naturalized." With this memorandum before him and no legal objection having been raised in the hearing, the judge could do nothing less than grant Rohl naturalization. The memorandum had been prepared by the Department of Justice and handed to the court, and fully justified the decision of the judge in granting Rohl citizenship.

If the Government of the United States was satisfied to award a German alien an important "secret contract in connection with a defense construction project," certainly a judge of the United States district court could not refuse to grant citizenship under the circumstances. To do anything else would, in addition to a reversal by the circuit court, have subjected the judge to serious criticism, particularly in view of the disaster that occurred at Pearl Harbor 2½ months later.

The committee has learned that the procedure in the Rohl naturalization incident was the routine generally followed. Comment has been made that the Rohl proceeding was a "special" proceeding, but the record reveals that about 27 applicants were heard by Judge O'Connor on that day. There were no circumstances before the court that would have tended to put Judge O'Connor on inquiry and the committee finds that he acted with full integrity and patriotism.

Although Judge O'Connor was not aware of the fact, an attempt had been made to give the Rohl application preferential treatment. A letter written on the stationery of the United States Department of Justice is evidence of the insistence of someone that Rohl's application for citizenship be made "a special case." This letter was dated February 4, 1941, and marked "Special." It was directed to the District Director, Immigration and Naturalization Service, Los Angeles, Calif., and signed "Lemuel B. Schofield, Special Assistant to the Attorney General, by: P. B. Shoemaker, Deputy Commissioner." It reads as follows:

"It is understood that one (Hans or John) Wilhelm Rohl made application for the certificate of arrival in your office on the third instant.

"The services of this alien will be used in connection with the defense program. Please make it a special case. It is meant by this that the application for certificate of arrival should be made special, the filing of a petition also, and the hearing, if it can be immediately disposed of, after the 30 days after its filing.

"Report in connection in this case when it has been finally disposed of will be appreciated."

When asked on the witness stand why he had not made an application for admission to citizenship at an earlier date, Rohl merely shrugged his shoulders and stated: "Negligence—busy traveling—never gave it a thought" (vol. xv, p. 3807).

CONGRESSIONAL EXPENSE ALLOWANCE

Mr. OVERTON. Mr. President, at the last session of the Senate I referred to an editorial in the Washington Post with reference to the general expense account to be allowed to the House, and which was rejected by the Senate. I now should like to call the attention of the Senate to an editorial from the Washington Times-Herald entertains a different view from that of the Washington Post, and is an earnest advocate of the allowance of the expense account.

I refer to these two newspapers, Mr. President, because they are our "home" papers, the Senate having solemnly decreed the other day that Washington is

our home, and I know that Senators would like to be advised of what their home papers are saying.

I ask unanimous consent that an excerpt from the Times-Herald's editorial be printed in the RECORD as a part of my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

There is a good deal more to be said, we believe, on this general subject of Government salaries.

For one thing, the Nation has been edified in the last few days by the superheated episode of the \$2,500 tax-free expense allowance which Members of the House recently voted for each Member. When a like proposition came before the Senate, the Senate decided against such allowances for its own Members but declined to interfere with the House grant of same to House Members.

CONGRESS SALARIES

The Senate's refusal was put on grounds of nobility; actually, it was because the Senate lacked enough Members with the courage to vote the allowance to Senators. The fact is, we are convinced, that both Senators and Congressmen should be paid \$25,000 a year apiece instead of the present \$10,000. It would seem in order to require that they pay regular income taxes on these salaries, so as to keep them as acutely conscious of income taxes as the rest of us are. They should, however, be entitled to take out for legitimate business expenses, necessary entertaining, etc., like any other taxpayers.

Plenty of people dislike the notion of higher congressional salaries. We can understand how a farmer, for instance, making only \$1,000 cash a year, thinks \$10,000 a year is enough for any Member of Congress.

Just the same, Members of both Houses of Congress should be paid \$25,000. At that salary, any Federal lawmaker can afford to be somewhat more courageous, honest, resistant to pressure groups, and so on, than some Federal lawmakers can be on \$10,000 a year.

It is of great importance, too, to strengthen Congress, so as to preserve the proper balance between it and the executive branch of the Government—which under Roosevelt was grabbing more and more power.

Mr. BARKLEY. Mr. President, inasmuch as the Washington Post has an editorial this morning on the subject, in order that the record may be complete, I ask unanimous consent that the editorial be printed following the excerpt from the other newspaper.

The PRESIDING OFFICER. Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL PAY

Since we mentioned, a few days ago, the Dirksen bill to set up a commission on congressional salaries, support for that proposal has come from various other sources. Legislators see in Mr. DIRKSEN's bill a chance to back away from the \$2,500 expense allowance which the House recently voted for its Members, without giving up hope for increased remuneration to offset their higher expenses. This response confirms our belief that substitution of the Dirksen bill for the \$2,500 expense allowance would be a constructive method of settling what has become, for the House, an embarrassing controversy.

Some Members of the House are especially annoyed because the Senate took a holler-than-thou attitude on the \$2,500 expense allowance after approving various expense

funds for its own Members. One estimate places the value of these allowances for stationery, telephone calls and so forth at more than \$4,000 additional per Senator. Here again the Dirksen bill comes into the picture. Whatever these allowances are, they should be brought to public notice. Some Members of the House are proposing to do precisely that by a public hearing, but the result would be to ensnarl the two Houses in a row that could scarcely be expected to evolve a constructive solution. Far more promising would be a thorough examination of the facts and the problem of congressional pay by an impartial and independent body.

Congress may as well face the fact that it will be criticized for any increase in compensation to its Members that originates within the Congress itself. It is the only body in the Government able to fix the pay of its own Members. For that very reason it has to move in this field with the utmost restraint. We think it would be a stroke of statesmanship on the part of Congress to place the whole issue in the hands of an impartial body beyond the influence of its own members. The findings of such a body would doubtless be accepted by the public with little question, and Congress would escape the necessity of lowering its prestige to enhance its Members' income.

EXTENSION OF STATUTE OF LIMITATIONS IN CERTAIN CASES

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 66) to extend the statute of limitations in certain cases, which was, on page 2, line 3, after "States", to insert "in connection with the Pearl Harbor catastrophe of December 7, 1941."

Mr. HATCH. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDENT pro tempore. The clerk will state the amendment passed over.

The amendment passed over was, under the heading "General fund, construction," on page 68, line 19, after the name "California", to strike out "\$4,500,000" and to insert "\$4,715,300, including \$115,000 for planning of the Delta steam power plant and \$100,000 for planning of transmission lines."

Mr. HAYDEN. Mr. President, this is a controversial matter, and I think it deserves a brief explanation on my part.

Mr. BURTON. Will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BURTON. There was a divided vote on this amendment in the committee of 9 to 8, and it was put over until today so that it might be argued. Would the Senator yield for the suggestion of the absence of a quorum?

Mr. HAYDEN. I yield for that purpose if the Senator so desires.

Mr. BURTON. It seems to me that if the Senator is about to make an explanation, we should have a quorum present.

Mr. HAYDEN. Very well.

Mr. BURTON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | |
|----------|-----------------|---------------|
| Austin | Hayden | Morse |
| Ball | Hickenlooper | O'Daniel |
| Bankhead | Hill | Overton |
| Barkley | Hoey | Radcliffe |
| Bilbo | Johnson, Calif. | Robertson |
| Burton | Johnson, Colo. | Saltonstall |
| Capper | Johnston, S. C. | Smith |
| Donnell | La Follette | Taft |
| Downey | Langer | Thomas, Okla. |
| Ellender | Lucas | Tydings |
| Gerry | McKellar | Walsh |
| Guffey | McMahon | Wiley |
| Hart | Moore | Wilson |

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Missouri [Mr. BRIGGS], the Senator from Kentucky [Mr. CHANDLER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. MURDOCK], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], the Senator from Idaho [Mr. TAYLOR], the Senator from Utah [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent in Europe visiting battlefields.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent in Europe on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Arizona [Mr. McFARLAND] and the Senator from Montana [Mr. WHEELER] are absent in Europe on official business for the Interstate Commerce Committee.

The Senator from Nevada [Mr. McCARRAN] is absent on official business.

Mr. BURTON. The Senator from Vermont [Mr. AIKEN], the Senator from Illinois [Mr. BROOKS], the Senator from Nebraska [Mr. WHERRY], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] is absent on official business of the Senate as a member of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Oregon [Mr. CORDON] are necessarily absent.

The Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The PRESIDENT pro tempore. Thirty-nine Senators having answered to their names, a quorum is not present. The clerk will call the names of the absent Senators.

The Chief Clerk called the names of the absent Senators, and Mr. BUCK, Mr. BUTLER, Mr. HATCH, Mr. O'MAHONEY, and Mr. SHIPSTEAD answered to their names when called.

The PRESIDENT pro tempore. Forty-four Senators having answered to their names, a quorum is not present.

Mr. BARKLEY. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. CHAVEZ and Mr. BUSHFIELD entered the Chamber and answered to their names.

At 1 o'clock and 2 minutes p. m. Mr. WILLIS entered the Chamber and answered to his name.

ADJOURNMENT TO 2:30 O'CLOCK P. M.

Mr. BARKLEY. Mr. President, a number of Senators are on their way to the Senate, but rather than merely sit around waiting, I move that the Senate adjourn until 2:30 o'clock p. m. today.

The motion was agreed to; and (at 1 o'clock and 15 minutes p. m.) the Senate adjourned until 2:30 o'clock p. m. this day.

AFTER ADJOURNMENT

(Legislative day of June 4, 1945)

The Senate met at 2:30 o'clock p. m. Rev. Daniel W. Justice, minister, Trinity Methodist Church, Washington, D. C., offered the following prayer:

Eternal God, in whose spirit is the remedy for the ills, the woes, and the injustices of our human society, may we always be true to Thee. Continue to teach us that justice, freedom, righteousness, and brotherliness are all natural fruits of our faith in the living God.

We beseech Thee to save nations from being torn from their foundations by force and folly. We would be alert and heed the promise that "blessed is the nation whose God is the Lord."

We especially pray that these our responsible representatives and lawmakers of this land we love shall be guided by Thee in all deliberations and decisions, and may we ever hold our citizenship as a sacred trust from Thee.

In the name of the redeeming Lord, we humbly and earnestly pray. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of that part of the calendar day of June 4, 1945, embraced in the legislative day of Thursday, May 31, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 66) to extend the statute of limitations in certain cases, and it was signed by the President pro tempore.

NOTICE OF HEARING ON NOMINATION OF DENNIS F. DONOVAN TO BE UNITED STATES DISTRICT JUDGE FOR DISTRICT OF MINNESOTA

Mr. HATCH. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, notice is hereby given that a public hearing has been scheduled for Tuesday, June 12, 1945, at 10:30 a. m., in the Senate Judiciary Committee Room, Capitol Building, upon the nomination of Dennis F. Donovan, of Minnesota, to be United States district judge for the district of Minnesota, vice George F. Sullivan, deceased. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee in charge consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from New Mexico [Mr. HATCH], and the Senator from Michigan [Mr. FERGUSON].

REPORTS ON REAL PROPERTY EXEMPT FROM TAXATION IN THE DISTRICT OF COLUMBIA

The PRESIDENT pro tempore laid before the Senate a letter from the President of the Board of Commissioners of the District of Columbia, transmitting, pursuant to law, copies of reports of all institutions, organizations, corporations, and associations, other than the United States Government, government of the District of Columbia and foreign governments, owning in the District of Columbia real property which is exempt from taxation, which (with the accompanying papers), was referred to the Committee on the District of Columbia.

PETITIONS AND MEMORIALS

Petitions, etc., were presented, and referred as indicated:

By Mr. CAPPER:

A petition of sundry citizens of Colby, Kans., praying for the enactment of legislation to prohibit the advertising of alcoholic beverages in periodicals, newspapers, motion pictures, over the radio, or any other

form of liquor advertising; to the Committee on Interstate Commerce.

By Mr. WALSH (for himself and Mr. SALTONSTALL):

Resolutions of the General Court of Massachusetts; to the Committee on Commerce.

"Resolutions memorializing Congress relative to the establishment of a system of unemployment insurance in the maritime industry

"Whereas there is pending before the Congress of the United States a bill to establish a system of unemployment insurance in the maritime industry, and for other purposes, printed as H. R. 1899; and

"Whereas the principal purpose of said bill is to protect maritime workers against the hazards of unemployment, said workers being the only group within the field of industry, trade, and transportation who are not so protected; and

"Whereas the persons employed in said maritime industry include thousands who are residents of Massachusetts and they are undergoing great hazards due to existing wartime conditions and are deserving of the benefits of said bill: Therefore be it

"Resolved, That the General Court of Massachusetts respectfully urges the Congress to enact, and the President of the United States to sign, as soon as possible, the bill hereinabove mentioned; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

Resolutions of the General Court of Massachusetts, to the Committee on Finance:

"Resolutions memorializing Congress to increase the subsistence allowances for war veterans while pursuing educational courses under the GI bill of rights, so-called

"Whereas the thousands of veterans of World War II who are eligible to pursue educational courses at the expense of the Federal Government under the provisions of the GI bill of rights, so-called, are prevented from doing so by reason of the inadequacy of the subsistence allowances provided thereby; and

"Whereas no war veteran should be forced to lose the advantages of procuring further education under said law because of lack of money for the subsistence of such veteran and his or her dependents while such veteran is pursuing the educational courses: Therefore be it

"Resolved, That the General Court of Massachusetts hereby respectfully urges the Congress of the United States to immediately take such action as may be necessary to increase the subsistence allowances hereinabove mentioned to at least \$80 per month in the case of veterans without dependents and to at least \$125 per month in the case of veterans with dependents; and be it further

"Resolved, That copies of these resolutions be forthwith transmitted by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

PETITION FOR VOCATIONAL EDUCATION AND TRAINING

Mr. WILEY. Mr. President, I present a letter from W. A. Burdick, director of the Rice Lake Vocational and Adult Education School, Rice Lake, Wis., transmitting a petition signed by a number of farmers in the vicinity of Rice Lake, Mikana, and Haugen, Wis., relating to the bill (S. 619) to provide vocational education and retraining, including part-

time training and work-experience programs for the occupational adjustment and readjustment of youth and adults, including persons demobilized from essential war work or from the armed services, in order that individuals and the Nation may attain economic stability and security.

I ask unanimous consent that Mr. Burdick's letter and the petition, without the signatures attached, be printed in the RECORD and appropriately referred.

There being no objection, the letter and petition, without the signatures attached, were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

RICE LAKE VOCATIONAL AND
ADULT EDUCATION SCHOOL,
Rice Lake, Wis., May 29, 1945.

Hon. Senator WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: I am enclosing a petition signed by a number of farmers from the vicinity of Rice Lake, Mikana, and Haugen who happened to be enrolled in our farm machinery repair classes which were being offered under Public Law No. 373 and which are expiring this week. This law has been administered by the Wisconsin Board of Vocational and Adult Education for the United States Office of Education through our school and many others throughout the State.

These classes enable the farmers to bring in broken parts of machinery for repair or make entirely new machinery and parts. It also enables them to keep up their production of farm commodities. The farmers are in a very serious predicament due to the fact that they cannot secure parts for their machines nor can they find the skilled labor to do this work for them. The fact that the war in Europe is over has not affected this aspect of farm production as yet and in talking with these farmers, it is very obvious there is a definite need for such classes to teach the farmers how to make their own repairs.

Several of the leaders in these classes have circulated this petition without any request from the school. The vocational school is supported by city funds; therefore, it is impossible for us to use city funds to support a rural program. It is the hope of these men that you will be able to find some way to obtain an extension of Federal funds to carry on this program. While we are a city institution, we have felt that anything we could do to contribute to the war effort was within our scope and we hope that we can continue to do this work as long as there is a need for it. To do this we must have 100 percent reimbursement from Federal funds. On behalf of these farmers who have signed their names, I express my appreciation for any help or assistance you can give us.

With kindest personal regards and best wishes, I remain,

Very truly yours,

W. A. BURDICK,
Director.

P. S.—I have just learned that the number of the bill now in Congress is S. 619.

RICE LAKE VOCATIONAL AND
ADULT EDUCATION SCHOOL,
Rice Lake, Wis., May 29, 1945.

To Whom It May Concern:

Inasmuch as we are in the busiest and most critical part of our productive season, using our various types of farm machines to the utmost, and due to the fact that we cannot secure repair parts or obtain skilled workers to assemble, repair, and put into operating condition our machinery, we wish to take this

means to petition you to do all in your power to continue such programs as the farm machinery repair shops that have been operating in Rice Lake and vicinity under Public Law No. 373, through the Rice Lake Vocational School. Up to the present time these classes have been our salvation through which we have learned to do much of this repair and the construction work ourselves. We cannot secure the tools or parts or even new machinery. We appreciate the fact that we have learned most of the fundamentals of this type of work in the classes involved at this school and therefore we petition you to continue these courses either through a new law or by some Federal and because the Rice Lake Vocational School cannot finance rural programs on city funds.

RESOLUTION FAVORING ST. LAWRENCE SEAWAY

Mr. AIKEN. Mr. President, I present for printing in the RECORD and appropriate reference a resolution adopted by the executive board of the United Automobile Workers, CIO, Detroit, Mich., endorsing the St. Lawrence seaway project.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

A postwar economy of full employment depends on the greatest possible development of our natural resources, including power, our transportation facilities, and our foreign trade. To serve these and other ends, President Roosevelt has advocated a series of regional development projects similar to the TVA. Of these, the one which would be of the utmost immediate benefit to the Middle West is the St. Lawrence seaway.

At a total estimated cost to the United States of \$277,000,000, or only a little more than the present daily cost of the war, the St. Lawrence seaway project would produce an immense amount of power and would open the St. Lawrence River to navigation by fully loaded, oceangoing vessels. Power production, with an installed horsepower of 2,200,000, would amount to 13,000,000,000 kilowatt-hours annually—an amount greater than all the power produced by the TVA in 1943. Moreover, the power can be produced at a cost lower than anywhere else on the American Continent.

The St. Lawrence seaway would provide the most economical route from the Midwest to the Atlantic seaboard and would wipe out the handicap of high freight rates, which has hampered the Midwest in competing for foreign markets. It would bring Detroit and other Great Lake ports as close to the ports of northern Europe as New York, Philadelphia, and Baltimore.

The seaway would be a particular boon to the automobile industry, which before the war exported something like 10 percent of its total output, and which after the war must export more nearly one-fifth of its output if we are to maintain the high levels of employment in the industry which we hope for and expect. The United States Department of Commerce has calculated that savings to the industry in transportation costs would run into the millions of dollars, amounting to some \$20 per car. An amount as large as this would have a significant effect in facilitating foreign shipments abroad.

The seaway will also add greatly to national defense by making use of the harbors of the Great Lakes during wartime for shipbuilding and shipping direct to ocean waters: Be it therefore

Resolved, That the UAW executive board endorse the St. Lawrence seaway project and instruct the legislative department to do what it can to assist those groups and those Members of Congress who are actively supporting the project.

RESOLUTION OF LEAVENWORTH, KANS., CHAMBER OF COMMERCE IN OPPOSITION TO MISSOURI VALLEY AUTHORITY BILL

Mr. CAPPER. Mr. President, I present and ask to have appropriately referred and printed in the RECORD, a letter from Mr. N. Jay Leonard, Secretary of the Leavenworth, Kans., Chamber of Commerce, and the accompanying resolutions adopted by the Leavenworth Chamber of Commerce on May 11, 1945.

I believe this resolution, opposing the enactment of S. 555, the so-called Missouri Valley Authority bill, expresses succinctly and correctly the basic objections of the large majority of the people living in the Missouri Valley to the enactment of such legislation. I know that is the way the people of Kansas feel about the matter, they are much disturbed over the economic power proposed to be placed in a Government corporation, and they have a right to be disturbed.

There being no objection, the letter and resolution were referred to the Committee on Irrigation and Reclamation, and ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE,
Leavenworth, Kans., May 29, 1945.

HON. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We are enclosing herewith a copy of a resolution adopted by the board of directors of the Leavenworth Chamber of Commerce in regular session, Friday, May 11, 1945. Your cooperation in the support of said resolution will be greatly appreciated.

Cordially yours,

N. JAY LEONARD,
Secretary.

Whereas the Congress of the United States has enacted legislation providing for additional flood control and also for a further development of navigation and irrigation on the Missouri River; and

Whereas said improvements should be made at the earliest possible time in view of the destruction of life and property and the loss to industry, agriculture, and commerce caused by recent floods and the continuous waste of valuable water resources within this basin; and

Whereas improvements of the type contemplated have been carried on in the past by the Corps of Engineers, United States Army, and the Bureau of Reclamation, Department of Interior; and

Whereas the said Government agencies have had charge of such development for many years and have planned and are prepared to execute the said works of improvement without delay at the conclusion of the war; and

Whereas, it has been suggested that in order the further the progress of this development, a Missouri Valley Authority should be formed with broad powers similar to those of the Tennessee Valley Authority: Now, therefore, be it

Resolved by the Chamber of Commerce of Leavenworth, Kans.:

1. That we endorse the aforementioned improvement program and recommend and urge upon the Congress of the United States of America that the coordinated plan for the control and use of the waters of the Missouri River Basin, as now authorized by law, be given immediate adequate appropriation so that the plan can be executed as expeditiously as is consistent with the public economy.

2. That we commend the Corps of Engineers and the Bureau of Reclamation for their action in effecting coordination of their activities within the Missouri River Basin.

3. That we oppose Senate bill 555, introduced on February 15, 1945, and which has been referred to the Committee on Commerce, the Committee on Irrigation and Reclamation, and the Committee on Agriculture and Forestry, because such bill would—

(a) Create a Federal corporation clothed with the power of government, fortified by law with the functional flexibility of a private corporation, and freed of all the legal restraints which experience has demonstrated are necessary and desirable.

(b) Place the States within the Missouri Valley Basin subservient to a superstate controlled by three men, so far as the control and development of the water resources of the Missouri Valley are concerned.

(c) Stifle industrial growth, individual enterprise, and agricultural development inasmuch as the proposed Federal corporation would be in control of a basic economic resource.

(d) Grant to such administrative agency unchecked authority to engage in private business, operate farms, remove hundreds of thousands of acres from the tax roll, take over the administration of education and of local and State laws, and in general, do the economic planning for the entire area, and which would be detrimental to the best interests of the city of Leavenworth, the State of Kansas, and the Nation at large.

4. That a copy of this resolution be transmitted by the secretary of the Leavenworth Chamber of Commerce to the Speaker of the House of Representatives of the United States and to each Member from Kansas in the Senate of the United States and the House of Representatives of the United States.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WAGNER, from the Committee on Banking and Currency:

S. J. Res. 30. Joint resolution extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended; with amendments (Rept. No. 325).

By Mr. O'MAHONEY, from the Committee on Indian Affairs:

S. 812. A bill to amend section 3 of the San Carlos Act (43 Stat. 475-476), as supplemented and amended, and for other purposes; without amendment (Rept. No. 326).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation five lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

MEAT DISTRIBUTION AND THE MEAT BLACK MARKET—REPORT OF CHESTER BOWLES

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD a copy of the Report of Chester Bowles, Administrator, to Members of the United States Senate and the House of Representatives, dealing with meat distribution and the meat black market. I am glad to note that Mr. Bowles intends to file another report on the same subject at the end of this month.

There being no objection, the report was ordered to be printed in the *RECORD*, as follows:

REPORT OF CHESTER BOWLES, ADMINISTRATOR, OFFICE OF PRICE ADMINISTRATION, TO MEMBERS OF THE UNITED STATES SENATE AND THE HOUSE OF REPRESENTATIVES, MAY 30, 1945
MEAT DISTRIBUTION AND THE MEAT BLACK MARKET

This report to Members of Congress will outline the steps taken by OPA to improve meat distribution and to combat meat black-market activities during the last few weeks. Broadly speaking, there are two types of slaughterers:

1. The federally inspected slaughterers, who alone can legally meet the requirements of the armed forces, and who alone can legally ship meat across State lines and to supply those civilians living in States producing only limited supplies of meat.

2. The nonfederally inspected commercial slaughterers and farm slaughterers, who are limited in their distribution to the State in which they are situated.

The basic cause of maldistribution of meat during the last few months lies in the substantial growth of the amount of livestock being slaughtered in nonfederally inspected slaughterhouses. This growth has sharply reduced the amount of meat available to the federally inspected plants. Naturally the federally inspected slaughterers have had to take care of the needs of the armed services first. For this reason they have had less and less meat available to ship across State lines to the low meat-producing areas, principally our large cities.

CHANNELING MEAT TO LOW-PRODUCING AREAS

In April, as you know, OPA was given authority to control the slaughter of livestock by all nonfederally inspected slaughterers. A program was immediately worked out which called for the registry of all farm and nonfederally inspected commercial slaughterers throughout the country. This program was designed to increase the supply of livestock going to the federally inspected packers.

On May 14, under our new authority, the licenses previously issued by the Government to the 23,436 nonfederally inspected commercial slaughterers were canceled. At the same time, new licenses were issued with individual quotas to all nonfederally inspected slaughterers who registered and met our basic requirements.

These quotas were based on the number of animals which each nonfederally inspected slaughterer had killed and sold legitimately during 1944. All nonfederally inspected slaughterers who failed during any quarter of 1944 to turn in ration stamps to cover the meat they sold were refused quotas. All nonfederally inspected slaughterers who handed in fewer ration stamps than the amount of livestock which they claimed to have killed were given quotas based on the number of ration stamps they turned in.

In other words, we based our quotas on legitimate operations and not on black market inflated figures.

By May 25, only 15,220 nonfederally inspected slaughterers had registered with OPA for their quotas. No doubt, some of those who have not registered still intend to do so. It is safe to say, however, that the great majority of the 11,000 which failed to apply had been operating in the black market. Today they no longer can do business.

The legitimate, established nonfederally inspected slaughterers, although operating henceforth under a quota, will be rid of this chiseling black-market competition. With few exceptions, they will be assured a good return on their operations by the new pricing program announced recently. Those who operated profitably before the war will be protected against loss by a so-called "bail out" provision in a recent OPA regulation.

This program will result in the flow of additional livestock to the federally inspected plants. These extra supplies will enable this group of slaughterers to increase their shipments to low meat-producing areas.

To assure that this meat is actually shipped to the areas where the shortage has been greatest we are about to issue an "area distribution" order. This order will require all slaughterers to ship to all counties in the same proportion that they shipped in the first quarter of 1944 (a reasonably normal period).

PROGRESS IN ENFORCEMENT

As I have pointed out many times, OPA has been woefully short of investigators. In early April we had, on the average, only one investigator to cover each county in the United States. At that time Congress appropriated some additional funds to increase our investigative staff in meat. We have transferred additional investigators from other fields to the meat program. This has left us with a very short staff to obtain compliance with all our price control, rent control, and rationing regulations.

In the meat field, with our augmented staff, we have moved aggressively against black-market operations at the slaughtering level, and also among hotels, wholesalers, and retailers.

As a result of this stepped-up campaign, 462 new meat-enforcement cases were begun last week, 390 the preceding week, and 355 the week before, a total of 1,207 new cases. Cases are now being instituted at nine times the rate of 2 months ago and more than 15 times the rate of 1 year ago.

It has been our experience that vigorous enforcement action on a rationed product invariably leads to the increased use of counterfeit ration coupons. In the case of meat, these counterfeits are purchased by slaughterers, wholesalers, and retailers to attempt to cover up illegal sales.

During the last year we have checked this type of activity on gasoline through a scientific analysis of all used gasoline coupons as they flow from the trade through our verification centers. Through this method counterfeiting on gasoline has already been reduced to one-tenth of 1 percent.

Starting on May 1 in all OPA regions, a similar check was begun of all used ration coupons on meat, fats and oils, and sugar. Each individual coupon is now being examined under ultraviolet rays to establish its authenticity. All counterfeit coupons are traced as rapidly as they are discovered to the processor, wholesaler, or retailer from whom they originate.

Already as a result of this new activity our enforcement staff has established several important black-market cases.

The two programs outlined in this report, as I pointed out, will not increase our total supply of meat. This can only come through the stepped-up hog production, and through the increase in cattle feeding. Both of these objectives, as you know, have been dealt with in the program announced by the Vinson office a week ago.

The program which I have described above will assist greatly in establishing fair distribution of the supplies which we have available. It will also prove a powerful factor in defeating the black market in meat.

We have received many reports from legitimate slaughterers, wholesalers, and retailers welcoming the drastic action which we are taking. They don't like the black market. They want to see it licked.

I will again report within the next 30 days. At that time, I believe, considerably further progress will have been made.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unani-

mous consent, the second time, and referred as follows:

By Mr. RADCLIFFE:

S. 1097. A bill to establish the status of funds and employees of the midshipmen's store at the United States Naval Academy; to the Committee on Naval Affairs.

(Mr. HATCH (by request) introduced Senate bill 1098, which was referred to the Committee on Public Lands and Surveys, and appears under a separate heading.)

By Mr. AIKEN (for himself and Mr. PEPPER):

S. 1099. A bill to amend the Public Health Service Act so as to provide assistance to States in developing and maintaining dental health programs, and for other purposes; to the Committee on Education and Labor.

By Mr. ELLENDER (by request):

S. 1100. A bill for the relief of Clarence J. Spiker and Fred W. Jandrey; to the Committee on Claims.

By Mr. WALSH:

S. 1101. A bill for the relief of the estate of Manuel Rose Lima; to the Committee on Claims.

S. 1102. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the United States Naval Convalescent Hospital, Banning, Calif., on March 5, 1945; and

S. 1103. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in Quonset Hut No. 2, Hamoaze House, Plymouth, Devon, England, on December 31, 1944; to the Committee on Naval Affairs.

(Mr. O'MAHONEY (for himself, Mr. McKellar, Mr. HAYDEN, Mr. CHAVEZ, Mr. ELLENDER, Mr. O'DANIEL, Mr. LANGER, Mr. BUCK, Mr. HICKENLOOPER, Mr. MORSE, Mr. SALTONSTALL, and Mr. DONNELL) introduced Senate Joint Resolution 73, which was referred to the Committee on Post Offices and Post Roads, and appears under a separate heading.)

LANDS ON THE PUBLIC DOMAIN

Mr. HATCH. Mr. President, by request I introduce a bill, for appropriate reference, declaring certain lands to be a part of the public domain and providing for the administration thereof, and in connection therewith I ask unanimous consent that a letter from the Secretary of the Interior, which explains the bill, be printed in the *RECORD*.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (S. 1098) declaring certain lands to be a part of the public domain and providing for the administration thereof, introduced by Mr. HATCH (by request), was read twice by its title and referred to the Committee on Public Lands and Surveys.

The letter presented by Mr. HATCH is as follows:

THE SECRETARY OF THE INTERIOR,
Washington, D. C., May 28, 1945.

HON. KENNETH MCKELLAR,
President of the Senate.

MY DEAR SENATOR MCKELLAR: There is submitted herewith the draft of a proposed bill, declaring certain lands to be a part of the public domain and providing for the administration thereof. The bill is substantially identical with H. R. 5880, Seventy-seventh Congress, second session, passed by the House of Representatives on March 16, 1942, and H. R. 838, Seventy-eighth Congress, first session, introduced in the House of Representatives on January 7, 1943. I request that this proposed bill be referred to the appropriate committee for consideration, and recommend its enactment.

In order to invoke the benefit of the provisions of the subsection (a), section 321, Part II, title III of the Transportation Act of 1940 (54 Stat. 954, 49 U. S. C. sec. 65), providing for the elimination of lower rates for certain Government transportation services, a number of railroad carriers filed under subsection (b) of that section releases of their claims to land grants in aid of railroad construction made to them or their predecessors.

By virtue of the approval by this Department of releases in accordance with the Transportation Act, claims for a considerable acreage of lands have been so released. The proposed legislation would prevent uncertainty and confusion in the administration of such lands and aid in the consolidation of checkerboard areas within existing reservations and withdrawals. Thus, it would be clear, under the bill, that lands lying within the exterior boundaries of a particular reservation, such as a national forest or a grazing district, would be a part of the reservation within which they lie and subject to the jurisdiction of the Federal agency administering that reservation.

The Bureau of the Budget has informed me that there is no objection to the presentation of this proposed legislation.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

UNIVERSAL MILITARY TRAINING—ARTICLE BY HON. JOHN J. MCCLOY

[Mr. HILL asked and obtained leave to have printed in the RECORD an article entitled "We Do Not Want Another War," written by Hon. John J. McCloy, Assistant Secretary of War, which appears in the Appendix.]

WORLD SECURITY—EDITORIAL FROM VERMONT FARM BUREAU NEWS

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial on world security, published in the Vermont Farm Bureau News for June 1945, which appears in the Appendix.]

PROPOSED FAIR EMPLOYMENT PRACTICE COMMISSION—LETTER FROM REV. L. L. SCOTT

[Mr. BILBO asked and obtained leave to have printed in the RECORD a letter from Rev. L. L. Scott, of Savannah, Ga., replying to attacks made upon him because of his opposition to the so-called FEPC, which appears in the Appendix.]

CONTINENTAL CASUALTY CO. AND MONTGOMERY CITY LINES—CONFERENCE REPORT

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1307) for the relief of Continental Casualty Co., a corporation, and Montgomery City Lines, Inc., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate and agree to the Senate amendments as follows: Page 1, line 5, strike out all after "to" over to and including "collision" on page 2, line 22, and insert: "Montgomery City Lines, Inc., Montgomery, Ala., the sum of \$266.49, in full settlement of all claims against the United States for compensation for property damage sustained by it as the result of a collision involving one of its vehicles and a United States Army truck in the city of Montgomery, Ala., on September 30, 1940."

Amend the title so as to read: "An act for the relief of Montgomery City Lines, Inc.," and agree to the same.

ALLEN J. ELLENDER,
ALEXANDER WILEY,
Managers on the Part of the Senate.

DAN R. MCGEEHEE,
A. M. FERNANDEZ,
W. A. PITTINGER,
Managers on the Part of the House.

The report was agreed to.

INVESTIGATION AND DESTRUCTION OF GOVERNMENT COLLECTIVISM

Mr. WILEY. Mr. President, I ask unanimous consent to address the Senate for not to exceed 5 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. WILEY. Mr. President, recently, it was reported that former President Herbert Hoover had recommended last summer to Republican Party officials that they concentrate on this campaign issue: Shall we combat the creeping government collectivism which has invaded every phase of American life? Shall we throw out the imported totalitarianism, stamped "Made in Europe," from our Federal system?

Many persons feel that Mr. Hoover's advice was not followed as fully as it might have been. Personally, I am of the opinion that this crucial issue could have been and should have been presented more emphatically to the American voter. Whether it would have turned the tide of the last campaign is not the question now. The question now is: Shall we investigate and assemble all the facts on certain vital questions relating to this creeping collectivism? And when Congress gets these facts in answer to these questions, shall it relate them with all the force at its command to the American people?

Shall Congress present the facts not in isolation, not as fragments, but in a total picture of the insidious master-plan of Government collectivism?

What are the questions the answers to which must be assembled into this total picture? They are:

First. How much of Government is in business? How far has Government gone in invading the sphere of private enterprise? How much is Government engaged in wholesaling, retailing, banking, lending, providing electric power, distilling, insuring, mining, transporting, constructing, and the like, which are normally the functions of the people? How far have Government corporations gone in the manner of financial giants in stifling the independence of American enterprise?

I think that when we get the answer to those questions, it will be a shocking answer. I think that the answer will prove that it is 11:59 on the clock of the life of private enterprise as our people have known it for generations. I think the answer will show that the policies, thinking, and plans of many of those still in high places indicate that they intend nothing short of a collectivist State. I think when we get these answers, Amer-

ica will demand that Government immediately get out of business!

Second. How much has the Federal Government invaded the sphere of State and local Governments? How far has the bureaucracy of Washington, D. C., gone to centralize the powers which under the United States Constitution and our system of checks and balances should actually be in the hands of State and local authorities? I think that when the American people get the answer to these questions, they will demand that the Federal Government quit poaching in the domain of the States and localities!

Third. How much have business principles pervaded Government? Have our Federal agencies made any effective attempt to husband the money appropriated to them? How much have the American people lost through the inefficiency, extravagance, duplication, poor staffing, and overstaffing of the Federal Government? The Bureau of the Budget is supposed to provide for efficiency in the executive branch of the Government in accordance with the wishes of the President. How good a job has it done?

I think that when we get the answer to those questions we shall find that business principles of conservation and economy have made little, if no headway, in our governmental life. I think that those answers will show that the financial wealth of our people has been recklessly thrown away in the most debonair collectivist manner. And I think that our people will demand that Government get some business sense into its system.

I think that our people will demand that a Government-owned enterprise such as the TVA, which was created by funds from the Federal Treasury—that of the 48 States—give some financial return to the Federal Government rather than merely providing benefits through uneconomical low rates to the people of the Tennessee Valley.

Uncle Sam is going to need every cent of income in order to take care of the interest charge on his 300 billion dollars of indebtedness and to take care of his high overhead.

It is high time that we view the American scene rather than look constantly abroad. It is high time that we get the facts on the invasion of the American scene by imported collectivism.

When we have the whole picture of those facts, our people will be able to form their own intelligent judgment, and Congress will be able to act forthrightly to eradicate Government collectivism.

The PRESIDENT pro tempore. Morning business is concluded.

FULL EMPLOYMENT BILL OF 1945—LETTER FROM JUDGE VINSON

Mr. WAGNER. Mr. President, on January 22 the Senator from Montana [Mr. MURRAY], the Senator from Utah [Mr. THOMAS], the Senator from Wyoming [Mr. O'MAHONEY], and I introduced the full-employment bill of 1945. This bill is now pending before the Committee on Banking and Currency.

Reports on the bill have been requested from almost every Federal agency. As the reports are being received, I am having them analyzed and digested so that a complete summary of all the reports will soon be available to the committee and to the general public.

At this time I should like to call special attention to the report of the Director of War Mobilization and Reconversion, which was released this morning from the White House. In this report, Judge Vinson wholeheartedly endorses the full-employment bill and describes it as "the necessary first step from which a full-dress program of economic policies to promote the well-being of our free competitive economy will stem."

History shows us—

Says Judge Vinson—

that business, labor, and agriculture cannot in themselves assure the maintenance of high levels of production and employment. The Government, acting on behalf of all the people, must assume this responsibility and take measures broad enough to meet the issues. Only by looking at the economy as a whole, and adopting national economic policies which will actively promote and encourage the expansion of business and the maintenance of markets and consumer spending, can we hope to achieve full employment. Senate bill 380 recognizes this responsibility of Government and seeks to provide a definite vehicle for the Congress and the President to measure the size of the employment need of the country and to provide specific programs for meeting it.

Mr. President, I ask unanimous consent that the report to the Banking and Currency Committee from the Director of War Mobilization and Reconversion be printed at this point in the RECORD in connection with my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DEAR BOB: This is in response to your letter of April 9 concerning S. 380, a bill to establish a national policy and program for assuring continuing full employment in a free competitive economy through the concerted efforts of industry, agriculture, labor, State, and local governments, and the Federal Government.

Next to a speedy and complete victory over Japan, a steady, well-paid job after the war is first in the minds and hearts of most Americans. The war has demonstrated that our economic system can provide jobs when demand for its product exists. It has done more. It has opened the eyes of all of us to the vast productivity of which American labor and the American genius for organization and management—working as a team—are capable.

But these jobs—this productivity—has been achieved in wartime through the creation of an unlimited market by the Government. To reach and maintain high levels of employment and a steadily rising standard of living in peacetime will call for a program suited to peacetime conditions and needs. In this program, business, agriculture, labor, and local, State, and Federal Governments must all play their parts.

We know we have an abundance of resources, plant, manpower, and managerial know-how to produce a standard of living far higher than anything we have ever known. Likewise, we know that we have unfilled

needs in America so diverse and so great as to challenge the capacity of even the greatest producing nation on earth.

But needs are not demands, in the economic sense. People must have steady income and they must want to spend their income before needs become demands and people become customers.

Business management, large and small, has a great opportunity and a great challenge to help create these steady incomes, and to actuate demand by expanding their businesses, offering better goods and services at attractive prices. Labor and agriculture through their efforts to increase production per man-hour can contribute importantly to higher incomes and a higher standard of living.

But history shows us that business, labor, and agriculture cannot in themselves assure the maintenance of high levels of production and employment. The Government, acting on behalf of all the people, must assume this responsibility and take measures broad enough to meet the issues. Only by looking at the economy as a whole, and adopting national economic policies which will actively promote and encourage the expansion of business and the maintenance of markets and consumer spending, can we hope to achieve full employment. S. 380 recognizes this responsibility of Government and seeks to provide a definite vehicle for the Congress and the President to measure the size of the employment need of the country and to provide specific programs for meeting it.

It would be idle to pretend that it will be easy to reach and hold full-employment levels. It would be folly, on the other hand, to pretend that it is impossible. The American people will not be content to go back to protracted large scale unemployment. It is imperative that we find ways and means to provide jobs for those willing and able to work. Depressions are not acts of God, any more than wars are. They are the product of our man-made institutions and the way we organize our society. We can and must organize to prevent both.

We must be prepared to make changes. At the same time we must be jealous of any encroachment on our freedom. National economic policies must not be allowed to develop into regimentation of business, or labor, or agriculture, nor of the people. Direction of private output by public authority in peacetime is repugnant to American ways of thought. Instead the maximum possible freedom must be afforded every producer to produce what he wishes, in the amounts for which he can best find a profitable market. Given an adequate market, our producers will supply the goods and the employment. We can be sure of that.

We cannot, however, leave the creation of that market to chance. We must start now to find out what measures are needed to maintain markets and steady jobs. S. 380 does not profess to present a fully conceived program for the achievement of full employment. It is the necessary first step from which a full-dress program of economic policies to promote the well-being of our free competitive economy will stem.

As a former member of Congress, I have certain general reactions to the bill. I regard it as desirable that such a bill should limit itself to providing the machinery to be followed to assist in arriving at national policy and full employment, rather than attempting to specify in advance policy measures to be used to meet future conditions. I believe it wise to leave to the President full discretion in the matter of preparing estimates of the national production and employment budget. And I regard the consideration of proposed measures by a congressional joint committee, which can analyze the inter-relationships between the various matters of special concern to the House and

Senate committees represented, as an important step in the process of preparing national policy to maintain full employment.

I heartily endorse the purposes and principles of the bill.

Sincerely,

FRED M. VINSON.

AMENDMENT OF FEDERAL RESERVE ACT

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 510) to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes, which was to strike out all after the enacting clause and insert:

That (a) the third paragraph of section 16 of the Federal Reserve Act, as amended, is amended by changing the first sentence of such paragraph to read as follows:

"Every Federal Reserve bank shall maintain reserves in gold certificates of not less than 25 percent against its deposits and reserves in gold certificates of not less than 25 percent against its Federal Reserve notes in actual circulation: *Provided, however,* That when the Federal Reserve agent holds gold certificates as collateral for Federal Reserve notes issued to the bank such gold certificates shall be counted as part of the reserve which such bank is required to maintain against its Federal Reserve notes in actual circulation."

(b) The first sentence of the fourth paragraph of section 16 of the Federal Reserve Act, as amended, is amended by striking therefrom "40 percent reserve hereinbefore required" and by inserting in lieu thereof "25 percent reserve hereinbefore required to be maintained against Federal Reserve notes in actual circulation."

(c) Subsection (c) of section 11 of the Federal Reserve Act, as amended, is amended to read as follows:

"(c) To suspend for a period not exceeding 30 days, and from time to time to renew such suspension for periods not exceeding 15 days, any reserve requirements specified in this act: *Provided,* That it shall establish a graduated tax upon the amounts by which the reserve requirements of this act may be permitted to fall below the level hereinafter specified: *And provided further,* That when the reserve held against Federal Reserve notes falls below 25 percent the Board of Governors of the Federal Reserve System shall establish a graduated tax of not more than 1 percent per annum upon such deficiency until the reserves fall to 20 percent, and when said reserve falls below 20 percent a tax at the rate increasingly of not less than 1½ percent per annum upon each 2½ percent or fraction thereof that such reserve falls below 20 percent. The tax shall be paid by the Reserve bank, but the Reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Board of Governors of the Federal Reserve System."

SEC. 2. The second paragraph of section 16 of the Federal Reserve Act, as amended, is amended to read as follows:

"Any Federal Reserve bank may make application to the local Federal Reserve agent for such amount of the Federal Reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal Reserve agent of collateral in amount equal to the sum of the Federal Reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of section 13 of this act, or bills of exchange endorsed by a member bank of any Federal Reserve district

and purchased under the provisions of section 14 of this act, or bankers' acceptances purchased under the provisions of said section 14, or gold certificates, or direct obligations of the United States. In no event shall such collateral security be less than the amount of Federal Reserve notes applied for. The Federal Reserve agent shall each day notify the Board of Governors of the Federal Reserve System of all issues and withdrawals of Federal Reserve notes to and by the Federal Reserve bank to which he is accredited. The said Board of Governors of the Federal Reserve System may at any time call upon a Federal Reserve bank for additional security to protect the Federal Reserve notes issued to it."

SEC. 3. All power and authority with respect to the issuance of circulating notes, known as Federal Reserve bank notes, pursuant to the sixth paragraph of section 18 of the Federal Reserve Act, as amended by section 401 of the act approved March 9, 1933 (48 Stat. 1, 6), shall cease and terminate on the date of enactment of this act.

SEC. 4. All power and authority of the President and the Secretary of the Treasury under section 43 (b) (1) of the act approved May 12, 1933 (48 Stat. 31, 52), with respect to the issuance of United States notes, shall cease and terminate on the date of enactment of this act.

Mr. BARKLEY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. HAYDEN. I move that the Senate resume consideration of House bill 3024, the Interior Department appropriation bill.

The motion was agreed to; and the Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

Mr. HAYDEN. Mr. President, the Senate has completed consideration of all the committee amendments to the Interior Department appropriation bill save one, which appears on page 66, lines 19 to 22. I ask that the amendment be stated.

The PRESIDENT pro tempore. The amendment will be stated by the clerk.

The CHIEF CLERK. On page 66, after line 18, after the word "California", it is proposed to strike out "\$4,500,000" and insert "\$4,715,300, including \$115,300 for planning of the Delta steam power plant and \$100,000 for planning of transmission lines."

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BURTON. I understand that this is the one amendment presented by the committee upon which there was a divided vote in the committee, the vote being 9 in favor and 8 against the amendment as it now appears in the bill. This amendment is the one controversial matter in the bill which has been reserved for discussion in the Senate. Therefore, I believe a quorum should be present. Will the Senator yield so that I may suggest the absence of a quorum?

Mr. HAYDEN. I yield.

Mr. BURTON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | |
|-----------|-----------------|---------------|
| Aiken | Guffey | O'Daniel |
| Austin | Hart | O'Mahoney |
| Ball | Hatch | Overton |
| Bankhead | Hayden | Radcliffe |
| Barkley | Hickenlooper | Robertson |
| Billbo | Hill | Saltonstall |
| Buck | Hoey | Shipstead |
| Burton | Johnson, Calif. | Smith |
| Bushfield | Johnson, Colo. | Taft |
| Butler | Johnston, S. C. | Thomas, Okla. |
| Capper | La Follette | Tydings |
| Chavez | Langer | Wagner |
| Donnell | Lucas | Walsh |
| Downey | McKellar | Wiley |
| Ellender | McMahon | Willis |
| Fulbright | Moore | Wilson |
| Gerry | Morse | |

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Missouri [Mr. BRIGGS], the Senator from Kentucky [Mr. CHANDLER], the Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. MURDOCK], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Tennessee [Mr. STEWART] are absent visiting battlefields in Europe.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent in Europe on official business for the Special Committee Investigating the National Defense Program.

The Senator from Nevada [Mr. McCARRAN] is absent on official business.

The Senator from Arizona [Mr. McFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business in Europe for the Interstate Commerce Committee.

Mr. BURTON. The Senator from Illinois [Mr. BROOKS], the Senator from Nebraska [Mr. WHERRY], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] is absent on official business of the Senate as a member of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Oregon [Mr. CORDON] are necessarily absent.

The Senator from South Dakota [Mr. GURNEY], the Senator from Kansas [Mr. REED], and the Senator from West Virginia [Mr. REVERCOMB] are absent on official business of the Senate as members of a subcommittee of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The PRESIDENT pro tempore. Fifty Senators having answered to their names, a quorum is present.

PUNISHMENT OF WAR CRIMINALS

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. LUCAS. A week ago today I made a brief statement in the Senate with respect to the importance of proceeding with the trials of war criminals in Europe. During the past week I have watched with considerable care the dispatches which have come from Paris and London discussing the procedure proposed for such trials. Candidly I am somewhat disappointed in discovering that the procedure at the present moment is to try some of the small fry, and delay the trial of the major criminals who were responsible for the war of aggression, and for the torture and murder of millions of innocent men, women, and children.

Mr. President, there is no Member of the Senate who believes more strongly than I in attempting to achieve unity between all allied nations with respect to the grave international problems which now confront the world. But in connection with the war criminals of Europe who were responsible for the war it seems to me that a difference exists so far as unity is concerned. It is most desirable that there be unity among the allied nations with respect to the trials of the various war criminals who have been listed by the War Crimes Commission, and by the armies of the respective nations, and I wish to repeat what I said a week ago, namely, that I hope there may be unity in the trial of these war criminals. It is my earnest desire to see Russia, England, France, and America sit around the table, and finally arrive at the proper plan and procedure to be followed in connection with these trials. But at the same time, if those nations cannot agree, I repeat with emphasis, that as to the major criminals who at the present time are in custody of the American Army, it is the duty of this Nation to proceed with its own plans with respect to their trials.

In connection with that thought I ask unanimous consent to have printed in the RECORD at this point as a part of

my remarks an editorial from the St. Louis Globe-Democrat entitled "Get on With the War Crimes Trials." It is one of the most interesting editorials I have read in dealing with the trials of persons committing war crimes.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GET ON WITH THE WAR CRIMES TRIALS!

With every passing day it appears more and more likely that the Allied nations—the very countries which all but wrecked themselves to wipe out a monstrous evil—may fumble and dilly-dally and quibble over technicalities until the authors of that evil plant the seeds of another world holocaust and then die of a mocking old age.

From the moment top Nazis began their whining parade to captivity we have seen nothing but a series of hedging, timid, dilatory maneuvers by those responsible for their prosecution, apparently all springing from disagreements and rows over judicial methods. There has been none of the summary justice for these criminals the world expected. There has been none of the swift punishment which would be an object lesson to ambitious underlings who might later attempt to emulate Hitler. In fact, self-administered poison and bullets to date have been far more effective than war crimes courts in dealing justice to the Nazis. Wherever Himmler and previous German suicides are today, they must regret they didn't stick around awhile.

It has been many months since it was sternly announced the War Crimes Commission would list the enemy leaders destined for trial. It was intended as a fearsome warning which would hasten the Reich's defeat and heighten immeasurably the morale of the oppressed peoples. Yet today we have the official identification of only one "big name" on the list—Hermann Goering.

Justice Jackson, chief United States counsel for prosecution of war criminals, has just arrived in Paris. He was quoted yesterday as stating that Germans accused of crimes against American troops—the small fry—will go on trial within a few weeks, but sees no prospect of immediate trial of the higher-up Nazis. Not until the Allies can agree on "certain details" of the international military court can proceedings start. A ridiculous split over methods is holding up the entire program, and the only reason we learned this much about the mysterious goings-on was because the dispute generated so much steam it blew off the lid of secrecy for a moment.

What effect is all this subsequent dawdling going to have on the morale of the oppressed peoples? What effect on the soldiers who have left arms and legs on the battlefield that these men might be captured for trial? What effect on the mothers and fathers and wives of sons who will never come home? What effect on the small nations which look to the big ones for world justice?

What difference does it make if the criminals are tried by a military court or civil court? What difference if the jurists are American or French or British or Greek? Political repercussions? Perhaps. But they should be ignored. For they cannot be serious enough to justify delaying the trials until the crime is forgotten or misguided milkops win a campaign of "forgiveness." Whatever method is the fastest should be used.

Americans have had too good a view of stalling tactics in their own courts to be tolerant of the present situation. If felons here too often go free through legal technicalities, how much greater is the opportunity for the Nazis under a multitude of international niceties.

It is time to end this quibbling and muddling with a mob of gangsters responsible for the starvation, torture, and slaughter of millions of innocent persons. A meeting of the Big Three is due soon in London or Germany. A decision on how to cut red tape and swiftly start the punishment of the greatest criminals the world has ever known should get top billing.

Mr. LUCAS. Mr. President, I wish also to read into the RECORD at this time a letter which I received from an American soldier. The letter is as follows:

DEAR SENATOR LUCAS: I am an American soldier just back from the hell in Germany, and after reading the enclosed short news bulletin, I couldn't help but write you these few lines to let you know that I am 100 percent for you.

Also enclosed you will find a clipping that I took from a Reader's Digest while on the boat coming home. Everything in it, and a lot more that can't be printed, is absolutely true.

This letter came to me as a result of a short news bulletin in one of the Boston newspapers in which had been quoted three lines of what I had said in regard to trying the German general staff.

I continue reading:

German generals, every damn one of them, are just as guilty as the butchers who ran the prison camps in Europe.

I was looking over one of my first Boston newspapers that I have seen in a long time, only to get fighting mad as I looked at the grinning faces of German generals who thought their capture was only the end of a "game."

The "game" is over for them, for a while, but permanently for my buddies that fell, screaming with pain. They were just kids, like myself, who instead of being in college, were fighting a heartless enemy who would destroy everything and everyone they love.

The leaders of these so-called supermen are going to be let loose, they tell me. "Defeated leaders" is what one newspaper calls them, but "butchers" is better.

Please, sir, in the name of God and those kids that won't be coming back, don't let them get away with it. The next generation will be fighting the "next" war, unless Germany is made to pay this time.

God bless you, and your courage to speak up.

Mr. President, I understand that Mr. Justice Jackson is back in this country, or soon will be back. It seems to me that the American people at this time are entitled to know from his lips exactly what has been done up to this moment with respect to plans and procedures for the trial of the war criminals in the Old World.

COMMEMORATIVE POSTAGE STAMPS

Mr. O'MAHONEY. Mr. President, the remarks of the senior Senator from Illinois [Mr. Lucas] call emphatic attention to the sacrifices which have been made by the fighting men of the United States. I think it may properly be said that the people of no nation in all history made a greater contribution to the fight for freedom than have the people of the United States. The casualties which we have suffered in this war to date number more than a million, and the war is not yet over.

Mr. President, I venture to make these few remarks because this morning all the members of the Committee on Post

Offices and Post Roads who are in the city have joined me in sponsoring a joint resolution to authorize and direct the Postmaster General to issue appropriate commemorative postage stamps to honor the valor, the efforts, and the sacrifices of the members of all our fighting forces.

I ask unanimous consent that the joint resolution which I now introduce for myself and a number of other Senators be referred to the Committee on Post Offices and Post Roads and also that it be printed at length in the RECORD as a part of my remarks.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). The joint resolution will be received, referred to the Committee on Post Offices and Post Roads, and without objection, printed in the RECORD.

The joint resolution (S. J. Res. 73) providing for the issuance of a special series of stamps commemorating memorable victories in the cause of human freedom in Europe and Asia, introduced by Mr. O'MAHONEY (for himself, Mr. McKELLAR, Mr. HAYDEN, Mr. CHAVEZ, Mr. ELLENDER, Mr. O'DANIEL, Mr. LANGER, Mr. BUCK, Mr. HICKENLOOPER, Mr. MORSE, Mr. SALTONSTALL, and Mr. DONNELL), was read twice by its title, referred to the Committee on Post Offices and Post Roads, and ordered to be printed in the RECORD, as follows:

Joint resolution providing for the issuance of a special series of stamps commemorating memorable victories in the cause of human freedom in Europe and Asia

Whereas the armed forces of the United States by unexampled heroism and sacrifice have achieved memorable victories in the cause of human freedom both in Europe and Asia; and

Whereas through remarkable coordination of military, naval, and air power they invaded the long-prepared strongholds of Nazi tyranny in Africa, Italy, and France, and by superior resourcefulness and efficiency drove the professional German Wehrmacht across the Rhine and crushed it; and

Whereas in the Pacific they have utterly defeated the Japanese Navy, driving its remnants into hiding while through amphibious landings they are seizing strategic islands within the network of Japan's imperial defenses, and through unprecedented air operations they are now destroying the industrial foundation of Japanese tyranny; and

Whereas they have retaken the Philippines and bestowed real liberty upon the loyal and courageous Filipinos, thus setting an example to all the nations of the world; and

Whereas these victories were won by citizen soldiers and sailors, more than three-fourths of whom had never fired a rifle or sailed in a war vessel before Pearl Harbor; and

Whereas to win these victories they have suffered in battle and in prison camps; and Whereas more than 227,000 have lost their lives, and the total number of casualties already exceeds 1,000,000: Therefore be it

Resolved, etc., That the Postmaster General is hereby authorized and directed to issue a series of special postage stamps of suitable design to commemorate the valor, the effort, and the sacrifices of the members of the Army, Navy, Marine Corps, Coast Guard, and merchant marine.

SEC. 2. At least one stamp shall be issued to honor each branch of the armed services of the United States.

SEC. 3. The stirring photograph of the raising of the flag on Mount Suribachi, Iwo Jima, in the midst of battle by five marines and one sailor, three of whom have since been

slain, and the notable photograph of the Remagen Bridge across the Rhine, the capture of which by an American armored division took the enemy by surprise and appreciably hastened the collapse of Germany, are suitable designs.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

Mr. HAYDEN. Mr. President, the remaining committee amendment to be considered in connection with the Interior Department appropriation bill appears on page 66. The amendment is based upon a Budget Bureau estimate. In 1937 the senior Senator from California [Mr. JOHNSON] sponsored legislation authorizing the construction of what is known as the Central Valley project. In that authorizing legislation there is provision for the construction, operation, and maintenance of dams, canals, power plants, pumping stations, transmission lines, and other incidental works. So there is no question about the authority of law for Congress to appropriate \$115,300 for the planning of the Delta steam power plant and \$100,000 for planning transmission lines.

With respect to the amendment, which I should explain was not agreed to by the House of Representatives, but was included in the Budget Bureau estimate, and the Senate committee amendment is a restoration of that estimate, the committee report makes this suggestion:

This legislative authorization cannot be repealed or modified by a failure to appropriate money for the planning and construction of transmission lines and power plants except that a consistent refusal to supply the necessary funds would inevitably lead to the conclusion that it is the desire of Congress that Central Valley project power should be sold only at the bus bars of the power plants and to only one customer, the Pacific Gas & Electric Co.

Under the law the Bureau of Reclamation has two specific duties to perform, and it has had those duties since 1906. One is that wherever a power plant or reclamation project is built the Bureau is to obtain revenue sufficient to pay into the Federal Treasury the cost of the project over a reasonable term of years. Where power is generated the Bureau of Reclamation is not authorized to give the power away, it is not authorized to sell it at less than cost, but it is authorized, under the law, to dispose of the power at a profit sufficient so that the power plants which have been built can be paid for over a period of time. That was what was done at Boulder Dam. The Federal Government built a great power development there; then the Bureau of Reclamation contracted with the city of Los Angeles and power companies in southern California to pay the cost back, and the cost is being paid back according to the contracts which have been made and according to the law. That is exactly what is proposed to be done in this instance. So anyone who fears that if the Federal Government undertakes to do in northern California the same thing it has done in southern Califor-

nia—that is, build a power plant and transmit the power and sell it, the Government will be put into the power business in unfair competition with private enterprise—is utterly mistaken. That cannot be done under the law. There must be obtained a price for the power which will reimburse the Government.

The other provision of law, which has been on the statute books since 1906, is that when the Federal Government builds a power plant and has power to sell it shall give preference to municipalities, to cooperatives, and to public power projects throughout the country, so that, if there is a limited amount of power, then a public power authority has the preference in the purchase of power. Those two policies are provided by law: first, to obtain a fair price for the power, and, second, if there is not sufficient power to go around, to give preference to public projects.

The other argument that seems to be worrying Senators with respect to this matter is that this is some sort of an entering wedge whereby the Federal Government will go into the retail distribution of power. Let me assure the Senate that the United States Reclamation Service never has been in that business. The Reclamation Service is a wholesaler of power. At no time has there been any action taken by the United States Reclamation Service to sell power other than as a wholesaler except in a few of its construction camps. I have talked with the Commissioner of Reclamation and asked him if in connection with these expenditures in California it was the desire of the Reclamation Service to transmit power from the mountains where it is generated down into central California, and then go into the retail power business. He said: "Positively no; we have no more intention of doing it here than anywhere else, and we thought, as a matter of principle, it would be a great mistake for any bureau of the Government to engage in the retail distribution of power anywhere in the United States."

The retail distribution of power is a local matter. If any city, county, or community desires to engage in that business it is done by vote of the people of the area, and then they have a preference right to purchase power from the Federal Government, but beyond that the Government is not in the business, never has been in the business, and does not expect to go into the business.

The last point I desire to make in this connection is that it is undisputed, so far as the testimony before our committee is concerned, and it is a fact, that there do not exist at this time transmission lines to carry the power from the Shasta Dam 150 or 200 miles down into central California. There is in existence a transmission line owned by the power company which carries the small amount of power that has been generated up to the present time. But the project has not been completed. Many other generators are to be put in, both at the Shasta and the Keswick Dams, and when those generators are all installed, someone must build a transmission line to take the power out from the mountains where it

is generated down to where it can be consumed. The question before the Senate is, shall that transmission line be built by the Federal Government, or shall it be built by a private power company?

The action we take here today is notice to the company that they may expect that the Federal Government will plan and have available the means of building a transmission line, and when the power is transmitted down into central California, they will plan a way to distribute the power.

The streams of California fluctuate greatly in their flow. There is a wet and dry season. Up at the Shasta Dam, it is possible to generate about 200,000 kilowatts of firm power. The remainder, the dump power, is fluctuating power, that can be firmed up with steam. So that there are 350,000 to 400,000 kilowatts an hour without the steam plant, and it is only possible to sell the firm power; the dump power has no value.

The plan of the Reclamation Service is that of the power generated at these dams, 120,000 kilowatts will be used to pump water for farming. It is quite obvious that that is the larger part of the 200,000 kilowatts of firm power that will be available. So the Government should, in my judgment, build a transmission line for that reason, if for no other, because the farmer in California, who helps pay for this project, is entitled to the cheapest possible power obtainable by him; and, secondly, it should be done so as to carry out the purpose of the law, namely, reimburse the cost of the project.

Therefore, I say that we must decide now whether or not we shall give notice to the power company, by the rejection of the pending amendment, that we do not intend ever to build a transmission line, or whether they can depend upon its erection as a certainty, so they will not be justified in investing their money in a transmission line and standby steam plant.

If the company should go ahead and build the necessary transmission line, and then Congress should change its mind, the company could very properly come in and say, "We have a great investment; we have put millions of dollars into a transmission line and power plant, and now the Federal Government comes along and wants to parallel our line and build a steam plant to take the business away from us. That would be unfair."

So we should make up our minds now whether the Federal Government is going to take this action and not put the company in a position of having the values it would invest in these lines, which would have to be built by it in the future, confiscated.

Every other place where the Reclamation Service has generated power—and it had to generate power in the mountains, where the power sites are located—the Bureau of Reclamation has brought the power out in each instance by transmission line to the place where it could be marketed, and that is the sensible, sane, sound, business way to do it. In no instance has the Reclamation Service engaged in the actual distribution and sale of power in the localities.

I wish to repeat, the Reclamation Service is a wholesaler of power; it has never been in the retail business, and does not intend to engage in that business. Therefore, if there are any who have fears of that kind, their fears are not justified.

Mr. President, I think that is all the explanation I care to make at this time.

Mr. BURTON. Mr. President, speaking to the amendment to which the Senator from Arizona just referred, I believe the arguments as presented before the committee should be clearly before the Senate. This amendment appears as a committee amendment, but it appears by virtue of a vote of 9 to 8 in the committee. It is obvious that it was a matter of contention in the committee.

It is not a criticism of the Central Valley project as a whole. That great \$362,000,000 project is not affected by this item except that our action is to determine whether or not some \$75,000,000 is to be spent by the Government for a transmission line and steam plant, or whether the facilities of a local utility are made use of to accomplish substantially the same result.

It is the contention of those objecting to the amendment that, in the words of the Senator from Arizona, but reversing the application, "the sensible, sound, sane, and business way" to meet this is to allow the local company, which has the investment in that area, to spend the \$75,000,000, or whatever it is necessary to spend. It is willing, able, and ready to do so, and here is a case where the purposes of the project will be carried out fully without the United States Government putting in \$75,000,000 to accomplish that result.

If it be the purpose, as I have always understood, that the Federal Government would only go into one of these projects when there was a failure of private enterprise to go into it, we have here a case in which I believe the record shows that private enterprise is ready and willing and able to render all of the required service.

To make the issue clear, the amendment to which we refer is found on page 66, in lines 19 to 22. It appears in the form of an increase in the appropriation from four and a half million dollars to \$4,715,300. That would look as though it involved only \$215,300. As a matter of fact, it consists of two planning items, the first one of \$115,300 for planning the Delta steam power plant, which, when erected, will cost \$26,000,000; and the second item is \$100,000, for planning transmission lines, which, when erected, together with switchyards, will cost some \$49,000,000.

Therefore, while at the moment it looks like \$215,300, there would be no point whatever in appropriating \$215,300 for making these plans unless it were contemplated that we were to go through with the expenditure of \$75,000,000 for certain transmission lines and a steam plant, which, however, the testimony shows are an unnecessary Federal expenditure.

I think perhaps the clearest way to present the issue in the first instance is

to read to the Senate from the report of the House committee on this point. What we are doing here is attempting to restore two items to which the House committee critically referred and strongly objected. The language in the House committee report is found on page 18 of the report, in the following terms:

Central Valley project, California: In recommending a reduction of \$1,000,000 in the estimate of \$5,500,000 for the Central Valley project the committee has specifically disapproved items of \$115,300 for the Delta steam power plant (planning) and \$100,000 for transmission lines and switchyards (planning). It is the intention of the committee that none of the funds appropriated in the bill, or heretofore appropriated, shall be used for any purpose in connection with the establishment of a steam plant or a transmission system. The committee is advised that power now available from the project is being sold near the Shasta Dam under a contract which guarantees to the Government a fair and equitable price and which preserves for public agencies the preference they are entitled to under the reclamation law. Under these conditions it is unnecessary for the Government to appropriate funds to construct either a steam plant, estimated to cost \$26,000,000, or a transmission system which would cost approximately \$48,000,000, which would not produce greater returns to the Government. There is no unserved market in the area. The proposed steam plant and transmission system would duplicate if not destroy existing taxpaying facilities and take much valuable property off the tax rolls to the detriment of many towns and counties in the State of California.

In the case of the Central Valley project the committee wishes to point out that the estimated cost has risen in a few years from \$170,000,000 to over \$362,000,000.

The final sentences of the House report on this point read:

Considering the need for economy, it would appear to be to the interest of the project to find ways and means of reducing rather than increasing estimates. The committee recommends that the Bureau of Reclamation give careful consideration to this situation.

If we now turn to the testimony given before the subcommittee of the Senate Committee on Appropriations, at page 864, we find there are four separate paragraphs which deal briefly with four separate points which I believe cover the issue adequately. First, as to the need for a steam plant—I may explain that this great Central Valley project extends through the center of California from the north to the south, about midway between the coast and the interior State line. The Shasta Dam, to which reference is made, is at the northern end of the project. The proposal is to build a 200-mile transmission line directly down through the territory now served by private interests, to place a steam plant just inland from San Francisco in order to firm that system and in order to help in the transmission of power to the irrigation system.

The principal arguments against this are that there already is an adequate private power development of that great area; that there are no new customers there; that there is plenty of power there, and that the local private power interests will buy all the power produced by the Government and transmit it on their lines and resell it to their users without

the necessity for the erection of additional power lines by the Government.

On the first point, the need for the steam plant, one brief paragraph in the testimony is as follows—and this is from the testimony of the president of the local power company, who says:

It is again claimed by the Bureau that the steam plant is required to "make firm" the output of the project's hydro plants. This is not so. The Pacific Gas & Electric Co.—

That is the local company—

has offered and continue to offer to pay for all hydroelectric power generated on the project a price equal to the value it would have if "firmed" by an independent steam plant. We have further offered and continue to offer to "make firm" any power which the Bureau may sell to public agencies and to do this at a cost no greater than if such power were made firm by a project steam plant.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. AIKEN. I have been interested in the discussion by the Senator from Ohio. I realize that whether there is adequate supply of electric energy in an area or not depends largely on the price at which it is sold. Can the Senator tell us how the rates charged by the Pacific Gas & Electric Co. compare with the rates charged to the users of Bonneville power or TVA power? What I am getting at is, if the rates were low enough would there be an adequate supply of power, or would there not? We can always hold the rates so high that there will be a surplus, or they can be put so low that there will always be a deficiency, as I see it. So I was wondering what the situation is in this case.

Mr. BURTON. Mr. President, the testimony would indicate to me that there is no trouble with the rates being charged in that area, and that all the consumers who are seeking power obtain power. I refer to a quotation on page 872 of the record of the hearings, in which special reference is made to utility rates in that area. I quote from the report of the Railroad Commission of California for the fiscal year ending June 30, 1944, as follows:

San Francisco retains its position with lowest-cost utility services (combined gas, electric, and telephone) of any of the 25 major cities of the United States, and Los Angeles has the lowest of any city in the Nation with over 1,000,000 population.

That is under the same regulation, and the rural areas, I understand, throughout that section are fully served. But the point is that the private customer offers to buy from the Shasta Dam—the Government—whatever power the Government produces, at a rate to be fixed by the State Railroad Commission of California and the Federal Power Commission, and to transmit that power to the ultimate consumer.

Mr. AIKEN. Mr. President, may I ask for further information whether San Francisco and Los Angeles have municipal distributing plants?

Mr. BURTON. I am afraid I will have to refer that question to the junior Senator from California [Mr. Downey] for answer.

Mr. DOWNEY. Mr. President, Los Angeles largely does. San Francisco does not.

Mr. AIKEN. Can the Senator from California further advise me—if the Senator from Ohio will yield for that purpose?

Mr. BURTON. I yield.

Mr. AIKEN. As to how the rates in the area which will be served by the Central Valley project and which are now served by that project compare with the rates charged to users of Bonneville and TVA and other public power developments?

Mr. DOWNEY. I think that, generally speaking, the present electric rates in California are reasonably cheap compared to those elsewhere in the Nation. We think that one of the reasons therefor is that in the public-utility work of the city of Los Angeles we have had a most important yardstick by which to measure what are just and reasonable rates.

Mr. BURTON. Mr. President, therefore, on that first point, I wish clearly to bring out that, so far as there being need for a steam plant to firm the supply of power or to contribute firmness to the rates, the local company has offered and continues to offer to make firm any power which the Bureau may sell to public agencies, and to do so at a cost no greater than if such power were made firm by a Government project steam plant.

The second point: Is there a need for the transmission line? Here the testimony is clear. I summarize it, and then shall read it. The local company offers to take the power at the Shasta Dam and to deliver equivalent power at the other end of the system over its lines, of course allowing for line losses, without the necessity of building a new set of transmission lines by the Government down through the territory which the company is already serving.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. AIKEN. If the private utility took the power from the publicly constructed dam and passed it on to the consumers, it would pass on the saving, resulting from the construction of this dam with public money—we will say about \$10,000,000 a year—the company would pass that on, but would avoid the establishment of a yardstick in that area by so doing.

Mr. BURTON. As I understand the issue, the rates charged by the company are not involved in the particular matter I am speaking of. The company is taking power from the dam and delivering power at the other end of its system. The only question is whether the company delivers the same power, after proper allowance is made for any loss en route. As the Senator points out, there is not a yardstick of rates established by the Government because there is one company already serving the whole area, and the justice of the rates depends on the stability of the Railroad Commission of California in fixing them. I may say that I have not heard a criticism of the rates as such or the work of the commission as such.

Mr. AIKEN. Am I to understand that the private company would distribute the power at prices to be fixed by the Federal Power Commission, or approved at least by the Federal Power Commission?

Mr. BURTON. The private company buys from the Government at rates which are approved by the Power Commission. When it sells, of course it must sell at retail subject to those rates. It operates under them directly.

Mr. AIKEN. Who approves the rates at which it would be sold to the private customer?

Mr. BURTON. The sale from the local power companies to the private consumer must be under the State commission, and the rate at which the United States Government sells to the power company at the other end is also indirectly under the local commission, because the commission only allows the company a credit for a reasonable price for the power it buys.

Mr. AIKEN. But the Federal Power Commission would have no control over retail rates?

Mr. BURTON. I think not.

Turning to the next paragraph on page 864 of the hearings, dealing with the need for the transmission line, I read again from the president of the local power company as follows:

It is also claimed that the proposed transmission system is required in order to bring the project's power output into the market and to make it available for pumping plants required in the Delta division of the project. This likewise is not so. The company has offered and continues to offer to buy all of the project's hydroelectric power at the company's Shasta substation, 25 miles below Shasta Dam. It has also offered to supply the project's pumping plants on an exchange basis with power from the company's transmission system, the company to be paid in power delivered to it at its Shasta substation. The pumping plants would be assured of a power supply at all times, irrespective of the operation of the project's power plants. The steam plant and transmission system are therefore not only unnecessary, but appropriations for their construction would be a waste of public funds.

The third point to which I wish to refer in the record is the question of the need of this income by the Government project. I read the following brief paragraph from the testimony:

The company is willing to make a long-term agreement or a short-term agreement for all hydroelectric power produced on the project, whichever the Bureau may deem to be to its best economic advantage. It is also willing to provide for the release from time to time of such quantities of power as the Bureau may wish to use itself or to sell to other buyers, including public agencies, as provided for in the reclamation law.

Finally, on the question of the need for service in the area, I quote the following paragraph:

The territory in which the project's hydroelectric energy must be used is already completely served by this company. The company's system is the natural outlet for the project's hydroelectric energy; in fact it is the only outlet, unless wasteful duplicating lines and other facilities are constructed in an endeavor to take away existing consumers or to compete with the company for new customers.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. AIKEN. I do not wish to tire the Senator from Ohio, but I have one further question in regard to this project, as to which I know very little. That is why I am seeking information.

If the power from the Central Valley project were sold to the Pacific Gas & Electric Co., would the Pacific Gas & Electric Co. have a virtual monopoly on the electric energy for that part of California. I do not know whether it operates in all of California, but would the result be to give this one company a virtual monopoly?

Mr. BURTON. As I understand the situation—and the Senator from California will correct me if I am mistaken—the Pacific Gas & Electric Co. already has a substantial monopoly in that area. This would merely mean the continuance of its existing situation, with additional sources of supply. If the power were supplied directly by the Government, there would be duplication of the existing supply system.

Mr. AIKEN. But the Pacific Gas & Electric Co. would continue to enjoy a monopoly, under regulation, would it not?

Mr. BURTON. It would continue it; yes.

Mr. President, I have no brief for the local company. I have no interest to serve in this matter except those of the public and I agree entirely with the House of Representatives that this is a case in which it appears that \$75,000,000 may well be saved by the United States Government, and reliance may well be placed upon the local concern to supply the power, the transmission lines, and the plants needed. I therefore object to the adoption of the committee amendment providing for the planning of this expenditure.

Mr. DOWNEY. Mr. President, in the first place, I think it might be well for the Senate to know that, so far as I am advised, the only substantial opposition to these two comparatively small items of appropriation comes from the Pacific Gas & Electric Co., which, as has been very frankly stated on the floor of the Senate, at the present time enjoys a virtual monopoly on the production and distribution of electric energy in the great area of northern California.

I have no criticism of the Pacific Gas & Electric Co. in its opposition to these items of appropriation. The Pacific Gas & Electric Co. is a very able, powerful, and wealthy electric and gas utility. I may add, in all candor and fairness, that it is very potent in the political affairs of the State of California.

That company was represented before the congressional committees by a Mr. Black, president of the company, a most persuasive, eloquent, and able man, who undoubtedly was looking to the profits of his company. Beyond any doubt, if ultimately all of this power is sold to the Pacific Gas & Electric Co., it will legally and rightfully be entitled to a profit upon the electric energy which it buys from the United States Government and thereafter sells to consumers in the State of California.

Mr. President, I do not make any criticism of the Pacific Gas & Electric Co.'s being here and properly presenting its views to the Congress of the United States; but I think that the fact the only important opposition to these items is from the company which now has, and will continue to have, a monopoly of electric energy in the area in what it operates is of relevancy and importance.

I believe that the whole situation is more complicated and difficult than was expressed in the findings and the testimony read by the distinguished Senator from Ohio. The county of Sacramento lies about 100 miles down the Sacramento River from the great Shasta Dam, where this power is to be generated. About 5 years ago the people of that great county, a fine agricultural section, decided to form a municipal utility district for the purpose of taking over the retail distributing system of the Pacific Gas & Electric Co. After long years of most difficult and arduous litigation, after hearings before the California State Railroad Commission, and many appeals to appellate courts, judgment of condemnation was given in the lower court, fixing the damages, for the delivery of the retail distributing system of the Pacific Gas & Electric Co. to the public agency of the citizens of the county of Sacramento. In all candor, I may say that it happens that my brother, with whom I was formerly associated in the practice of law, was and is the attorney representing the Sacramento municipal utility district.

However, litigation is not finally concluded. The Pacific Gas & Electric Co. has taken an appeal from this final judgment to the Supreme Court of the State of California. The question now being considered by the courts there is how and when, and under what circumstances, pending the appeal, the utility district of the county of Sacramento should take over this property and pay the price fixed by the court.

The point I desire to make is this: At the present time there is great uncertainty in the minds of those who are operating the utility district in Sacramento County as to the conditions under which they should purchase power to carry on the retail electrical business in the county of Sacramento. As I have said, from now on this utility district will be expected to take a substantial part of the electric energy which will be produced at the Shasta Dam. It may very well be that ultimately the best arrangement that can be worked out will be through the Pacific Gas & Electric Co. However, it would be most unfortunate for the United States Government at this time virtually to serve notice upon the Pacific Gas & Electric Co. and upon the people of the State of California that the Congress of the United States is officially taking the position that it will not proceed with completion of the surveys for the transmission line, by virtue of which the Government could sell power directly to the people of Sacramento County and to great reclamation and farm agencies which will want this power, principally for pumping water from the Sacramento River over into the San Joaquin River.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. AIKEN. Can the Senator tell us what the productive capacity of the Central Valley project will be? How much power will it produce?

Mr. DOWNEY. I think the power presently provided for is about 200,000 kilowatts.

Mr. HAYDEN. The firm power that may be generated at Shasta Dam amounts to 200,000 kilowatts. It could be firmed up by a steam plant to between 350,000 and 400,000 kilowatts. The farm use, that is, the pumping use, to which the Senator referred, requires 120,000 kilowatts, to pump water out of the Sacramento River drainage over into the San Joaquin.

Mr. AIKEN. How many kilowatt-hours annually would that amount to?

Mr. HAYDEN. It is stated in the record that the expected output at Shasta for the calendar year 1945 will be in excess of 1,000,000,000 kilowatt-hours.

Mr. AIKEN. Is that kilowatt-hours?

Mr. HAYDEN. It is a billion kilowatt-hours.

Mr. AIKEN. A billion?

Mr. HAYDEN. Yes; a billion kilowatt-hours. It is a very large development.

Mr. AIKEN. What percentage of that would be used in pumping water and what percentage would be available for use by customers?

Mr. HAYDEN. Figuring it the other way, I have stated that of the 200,000 kilowatts of firm power, without any firming up, 120,000 kilowatts must be used for pumping. If it is firmed up, there will be that much more to sell to the municipalities and to others to help pay the cost of the project.

Mr. AIKEN. Does the Senator know how much power California now uses, annually?

Mr. HAYDEN. I cannot say, although it uses all that is produced by the Boulder Dam project and all that is produced by the other dams which are in existence. There is no question about the market for power, because the country is growing and expanding.

Mr. AIKEN. The market depends on the price. Of course, there is no doubt that all the power which will be produced anywhere will be used.

Mr. HAYDEN. This much I can say—and I am sure I am correct—that the price for power in Portland and Seattle, where the power comes from Bonneville and Grand Coulee, is less than it is in San Francisco, and the price at Los Angeles is also less, on the average. There is not quite so much difference between the prices in the Los Angeles and San Francisco areas which are served by this company as there is between the prices in the Los Angeles and the Portland and Seattle areas, where the power comes from the Bonneville and Grand Coulee developments.

Mr. AIKEN. Where does San Francisco get its power?

Mr. DOWNEY. Let me say first that a large part of the power now used by the city of Los Angeles comes from the Boulder Dam hydroelectric plant.

Mr. AIKEN. Does Los Angeles buy that power from the Government?

Mr. DOWNEY. Yes.

Mr. AIKEN. The Pacific Gas & Electric Co. does not control the power from Boulder Dam, does it?

Mr. DOWNEY. No. The Pacific Gas & Electric Co. does not operate in southern California. A parallel corporation, the Southern California Edison, operates there; and it buys some of the power at wholesale from Shasta Dam.

Mr. AIKEN. Did I correctly understand the Senator to say that the city of Los Angeles has the lowest rates of any large city having a population of a million or more?

Mr. DOWNEY. I believe that to be true. The Los Angeles Light & Power Co., a municipal agency, buys power directly from the Boulder Dam project.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. LANGER. Will the Senator tell us how many farmers will be affected?

Mr. DOWNEY. Mr. President, I should think that in the area which will be covered by this power distribution probably 30,000 farms will be affected.

Mr. LANGER. At the present time in that locality there is no Rural Electrification Administration development at all; is that correct?

Mr. DOWNEY. No; there is one small Rural Electrification Administration cooperative in the State of California, but it is not in this area.

Mr. LANGER. So, as I understand the situation, the Government would not be duplicating a system which has already been established there by the corporation; is that correct?

Mr. DOWNEY. Mr. President, the Pacific Gas & Electric Co. does have facilities over this general area; but in view of the development which will come from this power, I do not think there will be any excess facilities constructed, if the Government goes ahead with this program. In other words, all the facilities which would be constructed under this ultimate program would be necessary and would have to be constructed either by a private corporation or by the Government.

Mr. LANGER. As I understand, then, 30,000 farmers who today do not have power will be able to get it if the amendment is adopted; is that correct?

Mr. DOWNEY. No; I would not quite say that. Many of the farmers now have power, but additional power will be needed for farmers because of this great project which is under way.

Mr. AIKEN. Mr. President, will the Senator yield to me, so that I may ask him a question?

Mr. DOWNEY. I yield.

Mr. AIKEN. What would be the principal advantages entailed in having the Government have the right to build this transmission line and to put in a steam plant? Would it mean that more people would be served or that they would be better served or that they would be served at lower rates; or what would be the advantage?

Mr. DOWNEY. Mr. President, let me say that no contract has as yet been negotiated with the Pacific Gas & Electric

Co., for instance, for the area at Sacramento City or for the area where it will be necessary to pump the water. None of us know at this time what will be the contract which should be negotiated either between the Government and these public agencies or between the Pacific Gas & Electric Co. and these public agencies. I am advised that the power which presently exists will, in terms of money, be worth approximately \$10,000,000 a year within the next 2 or 3 years. Looking ahead, the power which may be generated from similar hydro-electric projects in this area may be worth \$15,000,000 or \$20,000,000 or \$25,000,000.

Here we have involved two items totaling \$215,000. Until the two surveys are completed—the survey for the transmission line and the survey for the auxiliary steam plant to firm up the hydroelectric power—I do not think any of us is in a position to judge what would be the best arrangement which could be made for the people of the State of California.

These two items would represent a cost of approximately 2 percent of the value of this electric energy in 1 year. It seems to me to be most unfortunate that the Senate by rejecting these items would virtually serve notice upon everyone concerned that Congress is not going to allow the Government to build the transmission line and the auxiliary plant, in any event.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BURTON. The question I wished to ask in order to clear up the situation or to have the Record made clear was the one raised by the Senators from North Dakota and Vermont, because I am as deeply interested as they are in providing service for the rural areas and also in completing the Central Valley project and in its success. The issue before the Senate, as I have seen it and as I heard it in the committee, is not whether one method would result in providing more power for farmers or whether one method rather than the other would enable the transmission line to be completed, but, rather, which lines the power would go over, whether private lines or Government lines. In either event the same number of farmers would be served and the same service would result. The question is really one of mechanics within the system, not one of the system itself.

Mr. DOWNEY. Mr. President, I cannot entirely agree that that is an accurate statement, and later I shall point out why I do not think it is.

But first I yield to the Senator from New Mexico, who, I understand, wishes to be recognized.

Mr. HATCH. Mr. President, I should like to ask the Senator from California a question. Suppose the Government never builds the transmission line or the steam auxiliary plant, would the effect then be to freeze the monopoly which the Pacific Gas & Electric Co. now has in that section?

Mr. DOWNEY. Mr. President, I think that question can be very directly answered in the affirmative. It would forever give a monopoly of the distribution

and sale of this power to the Pacific Gas & Electric Co.

Mr. BURTON. Mr. President, will the Senator yield on that point?

Mr. DOWNEY. I yield.

Mr. BURTON. Am I correct in understanding that the Senator is making his argument on the ground that he wants the people of the United States to spend \$75,000,000 on local power projects in that section in order to prevent a local company from maintaining the monopoly it already has? Is that the business we are to be in?

Mr. DOWNEY. Mr. President, I do not think there is a meeting of the minds between the Senator from Ohio and me. The distinguished senior Senator from New Mexico [Mr. HATCH] asked me this question, as I understood: If we were never to build this transmission line and the auxiliary plant, would the result be that we would forever give a monopoly of the purchase of this electric energy to the Pacific Gas & Electric Co.? I answered that question in the affirmative; I said it would do that.

What conclusion did the Senator from Ohio draw from that?

Mr. BURTON. Then it seemed to me that the next step which was in the Senator's mind was that, therefore, we should spend the \$75,000,000 so as to break into that monopoly.

Mr. DOWNEY. Mr. President, the Senate is not today or this year confronted with the ultimate decision whether we should build a transmission line and a steam plant. The only thing which is before the Senate today is the question whether we should complete surveys, which are already 50 percent, or two-thirds completed; and whether we should finish them, so that we will know where to go forward from there.

The Pacific Gas & Electric Co. has very generously said that it will buy this electric power at just as high a figure as the Government can sell it elsewhere directly to any public agency. Of course, the Pacific Gas & Electric Co. can safely make such an offer, because if it once buys the power and pays for it, and the people want the power, the State railroad commission, in fixing the price at retail, will, of course, allow the Pacific Gas & Electric Co. to recapture whatever amount of money it has paid for the power. The Pacific Gas & Electric Co. will be in the very happy position of being in the middle and will be able to buy this public power at whatever contract figure shall be agreed upon. The California State Railroad Commission will then allow the company to recapture the money which it has paid in the retail price which is fixed, plus whatever shall be agreed upon between the Pacific Gas & Electric Co. and the State railroad commission as a reasonable price, which, of course, will be an extraordinary sum, and which will represent a very fat contract for the utility company.

Mr. President, I am not saying that when all these plans are completed what I have stated would be the best way to work the problem out in northern California; but I believe that we would be surrendering a most valuable bargaining point if Congress were now to declare that it will make sure that the Pa-

cific Gas & Electric Co. shall have a monopoly upon the power, even before the bargains are made, or before any order has been issued by the State railroad commission.

Mr. President, I do not believe that we can properly evaluate this whole situation until the surveys of the transmission lines shall have been completed and we know what they will be in extent, amount, and cost. I believe the same to be true in respect to the auxiliary plants. As I have already said, the surveys have been more than half completed, and more than half of the allotted funds have been spent. Now we are being asked to stop those surveys before completion, and give assurance to the great Pacific Gas & Electric Co. that it will not be interfered with in any bargain which it may wish to undertake.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BURTON. The Senator from California has stated that the Federal Government should provide the sum of \$75,000,000, or whatever it may be, in order to establish a competitive agent in the locality under consideration, and enable the Government perhaps to sell the power more cheaply to the people of California, and that then the people of California, the users of the power, would pay a return on private capital which had been invested in order to serve them. In most places throughout the country it is true, and properly so, that the consumers of electric power pay a fair return upon the capital which has been invested for their use, and do so under the regulation of the local railroad or power commission, or whatever the name of the agency of that character may be. The local company must pay taxes, and so forth.

What seems extraordinary to me is that we are being asked to take out of the United States Treasury the sum of \$75,000,000 and invest it in California where the users may obtain electric power more cheaply than they could obtain it from private capital invested in the normal and usual manner. I do not believe that to be the best public policy.

Mr. AIKEN. Mr. President, will the Senator from California yield?

Mr. DOWNEY. Reserving the right to answer the argument of the distinguished Senator from Ohio [Mr. BURTON], I yield to the Senator from Vermont.

Mr. AIKEN. One might easily derive the impression from the remarks of the Senator from Ohio that this sum of \$75,000,000 is to be a gift to someone. Is that true, or is the project to be a self-liquidating one? Is the Government going to produce the power and give it to California, or will it make a charge to the people of California for the power which they use? If the latter is true, would not the \$75,000,000 eventually come back to the Federal Treasury?

Mr. DOWNEY. Mr. President, under the reclamation law now on the statute books the principal of all investments must be repaid to the Government. The Government subsidizes a project by waiving any interest but repayment of the

principal is generally amortized over a period of 40 years.

Mr. BURTON. As I understand it, the sum proposed to be appropriated would be paid back to the people of the United States without interest over 40 or 50 years at the rate of 2 percent a year. Mr. President, that comes very close to being a gift.

Mr. DOWNEY. The distinguished Senator from Tennessee [Mr. McKellar] was much more fortunate in getting Congress to agree to what was a very righteous cause in behalf of the people of the South, because under the TVA Act the \$700,000,000 or \$800,000,000 which was appropriated to build that great TVA project does not have to be repaid either in principal or interest. On the other hand, the reclamation projects in the West generally are required to pay interest. Under the equally great Boulder Dam project, which the senior Senator from California [Mr. Johnson] helped to secure for the great southwest, the people in that territory not only must repay the principal, but likewise must pay interest on the use of the money. However, Mr. President, I want the distinguished Senator from Ohio to know that we in California are not responsible for the present reclamation law. It is upon the statute books. It is the statute under which the project to which I have referred was built, and the Congress, in its wisdom, saw fit to provide that with regard to Reclamation Bureau projects the principal amount invested by the Government must be amortized and repaid.

Mr. BURTON. Mr. President, I wish to join with the Senator from California in recognizing that the reclamation law is an act of Congress. I support it thoroughly, and I believe in it. I think it is worth while. I think it has proved to be a valuable factor in connection with the development of our West. However, I object to carrying the irrigation program into a separate power project when already private capital is serving the area involved.

Mr. DOWNEY. Mr. President, before I conclude my remarks—and I am about ready to do so—I desire to repeat to the Members of the Senate that the issue is not as recently stated by the distinguished Senator from Ohio, namely, whether the Congress should appropriate \$75,000,000 for auxiliary plants and transmission lines. The issue is whether at the present time the Congress of the United States should appropriate an additional \$215,000 to complete surveys for this enterprise so that the Congress and the Bureau of Reclamation, as well as the interested persons, may form their own conclusions as to how the electric energy, which will amount in value to \$10,000,000 or \$20,000,000 a year, should be disposed of. From my own point of view, and speaking for the people of northern California, I would say that it would be most unfortunate at this time for the Congress officially to take the position that it will not even proceed with the completion of these surveys, but will do away with all bargaining power which would inure to the people of California in their dealings with the Pacific Gas & Electric Co.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. AIKEN. I believe I am about to ask my last question. If we appropriate \$115,300 for planning of the Delta steam power plant, and \$100,000 for planning of transmission lines, it will not necessarily mean that the steam plant will be built, or that the transmission lines will be built, or that the Pacific Gas & Electric Co. will not be the principal customer for the power produced. As I understand, the language in the bill provides for investigation and planning only, after which the Congress must act in making an appropriation for the steam power plant or the transmission lines before they may be constructed.

Mr. DOWNEY. Mr. President, the Senator from Vermont is correct. When these plans shall have been perfected by virtue of the proposed appropriation, the whole matter will have to be given most careful consideration by the Appropriations Committee. I am happy to yield to one of its distinguished members, the Senator from New Mexico [Mr. Chavez].

Mr. CHAVEZ. Mr. President, this item is either good or bad. We should vote for it with our eyes open. Investigation as to whether or not we shall build the firm power plant, the steam plant, and the other plant, is being made by those who want the project to proceed. Let us not quibble about these things in the Senate. Either this project is good or it is not. Let us not say that if we give them \$117,000,000 we might build it, because the people who are making the investigation are the ones who want to do the building, and there is nothing to it. If we give them the money, they are going to decide whether they should build the power plant. Let us do it with our eyes open. If it is good, let us do it; if it is not, let us not do it.

Mr. THOMAS of Oklahoma. Mr. President, as a member of the committee I have heard the testimony in the hearings on this issue for the past several years. It came before the Congress in connection with the last Interior Department appropriation bill. Practically the same arguments were made for and against the item last year. The House eliminated it from the bill; it came to the Senate, and hearings were held. In the Senate committee I voted against the item. The House conferees refused to accept it last year, and the money was not made available. This year the proponents of the project asked for money with which to make the surveys, \$115,000 to make the survey for the Delta steam power plant, and \$100,000 to make a survey and plans for the transmission line.

The other body refused to make the appropriation to cover these surveys and engineering works. When the matter came to the Senate the subcommittee heard the testimony, and as I recall by a substantial majority refused to recommend the item to the main committee. In the main committee it was taken up again, and by a slight majority was ordered placed in the bill.

Mr. President, this issue is not a local one. Were it a local issue, I should be disposed to follow the recommendation of the distinguished Senator from California. But there is involved a question of national policy. We are called upon, not to appropriate \$115,000 to make plans for a steam plant, not to make an appropriation of \$100,000 to make plans for a transmission line, but we are called upon to establish and set forth a national policy with respect to the generation and distribution of electricity.

The same issue has come before the United States engineers in developing flood-control works. In building great dams, they have, as an incident to their flood-control work, the development of power. So the issue there arises in connection with such construction; but, so far as I know, the Engineers have never requested money with which to build a transmission line and a distributing system. The Engineers are content to build the dams, to build the power plants, to develop the energy, and then sell the energy at the dam, at the bus bar.

My State of Oklahoma and the State of Texas are separated only by the Red River. Congress has authorized the expenditure of approximately \$55,000,000 in the building of a giant hydroelectric plant at Denison, a town in Texas near the dam from which the dam took the name of Denison. It is on the Red River. This dam was constructed to create a reservoir in order to control floodwaters in the Red River, and eventually to control floods in the Mississippi, but as an incident of controlling floods, there was a power development. It is not a large power development, but still it is a power development. The engineers have decided, as the best policy, to sell the power at the dam. They have entered into a contract with two of the large power concerns in the area to sell the power generated at the Denison Dam to the private companies, and the private companies build their own transmission lines to the dam, take all the power, and distribute it.

In times when there is plenty of water, the maximum power is available. The private companies take all the power at high-water time, and when the power becomes low, as it does, and as it will continue to do, then they draw on the steam-generating facilities to supply their customers. But through this contract they take all the power, not only the prime power, but what is called the dump power, and they pay a good price for it.

It is the contention of the Engineers, I understand, that they can obtain more money for the sale of all their power, not only prime power, but the dump power, than they can obtain by selling merely what might be termed the prime power, or the power they can deliver 365 days in the year.

Mr. President, the Shasta Dam was started on an estimate of about \$160,000,000 or \$170,000,000. It was initiated as a reclamation proposition. We all voted for it, I think, when it was proposed; at least, I did. I was for the project then, and I am for it now; as an irrigation project. The law which authorized the creation of the Shasta Dam

provided that power should be generated as an incident to reclamation, and that such power should be disposed of, which made it a good business proposition. The project has developed until it is now a \$362,000,000 proposition. A comparatively small project involving \$160,000,000 has grown in the space of 2 years to a \$362,000,000 project, including, of course, the steam plant and the transmission lines.

We have here an issue not only of \$115,000 with which to make plans for a steam plant, not only an issue of \$100,000 with which to make plans for transmission lines; but one involving an element of national policy, and the Congress must decide the policy. If it were a matter of only \$115,000, I suppose it would be too small to talk about. In the section of the country from which I come the people are under the impression that nowadays that if a project does not contemplate the expenditure of a billion dollars, Congress has no time for it.

This project started on a small scale. That is the way smart people bring about legislative results. A camel, in order to get under the tent, must first get his nose under. Later he gets his head under. He keeps moving, as smart camels do, and eventually he gets his hump under, and in time the camel is under the tent. The first thing legislators learn when they come to a legislative body is to start on a small scale. That is the way a building is raised. That is the way a stump is removed from the ground. It is raised by elevating it half an inch or an inch, then putting a check under it, getting a good hold, and lifting a little bit more. Senators from the timber sections of the country know what I am talking about.

Mr. President, the proposal before the Senate is not merely the appropriation of \$115,000 and \$100,000; but the issue involves approximately \$75,000,000 for the building of a gigantic steam plant and the building of a transmission line to carry electricity from the Shasta Dam and the Keswick Dam to wherever the power can be sold.

Mr. President, I am against the policy that is sought to be established of having the Bureau of Reclamation become a Shasta Dam Authority for Central California. I am not against Central California; I am for it. I want the people there to have irrigation, and they have it. But I am opposed to Congress in effect creating a Shasta Dam Authority, and making that authority consist of the personnel of the Bureau of Reclamation. That is exactly what is pending before the Senate at this hour.

The proponents of this proposal do not want to stop merely with the building of a transmission line; they do not want to stop with the building of a power plant. If they get the transmission line and the power plant and firm up their power they will have power to sell. They have no power to sell from the Shasta Dam at the present time; they have some dump power at times of high water, but there will not be high water there at all times. It is said a plant is only good to the extent of its productive capacity, and if such capacity is 50,000 kilowatts at low-

water time, that is all the power the plant can sell with assurance. So, in order to get a lot of power, so as to enable them to go into the power business, the proponents of the project want to take the power from the Shasta Dam and the Keswick Dam and then build an enormous steam plant, to be kept in a standby condition, so that when the water recedes in the two dams they can fire the steam plant and bring up the prime power to the extent of their contracts to sell.

One witness came before the committee and suggested that the way to firm the power from the Shasta Dam and the Keswick Dam was to build more hydroelectric plants. Anyone who is at all familiar with the subject knows that if two additional hydroelectric plants are built to firm up the power from the Shasta and Keswick plants, then it will be necessary to build more hydroelectric plants to firm up the power from the plants so built. Thus it would be an unending proposition, and it is not feasible.

Mr. President, there is one other feature of this matter which appeals to me, and that is the taxation feature. When the war is over I fear we are going to have a national debt of around \$300,000,000,000. It may be more; I hope it will not be. If the national debt is only \$300,000,000,000, at 2½ percent interest, making the computation of the interest charge, it follows that seven and one-half billion dollars must be raised in taxes each year in order to meet the interest on the national debt. That is item No. 1.

Item No. 2. For some time at least we must support a large military establishment. No one can tell how many men the Government will have to support in that establishment. We must have a large Navy. We must retain a large Army ground force. We must retain a large air force. It is my judgment from what I know, drawing on knowledge gained from my association with military authorities, that we will have to maintain a military establishment composed of a Navy and an Army and Air Corps at a cost of more than \$5,000,000,000 a year for an indefinite period to come.

At the present time we do not dare to scrap our Navy as we did 25 years ago. We do not dare to scrap our Air Force, as we might do. We do not dare to discharge our ground forces down to 113,000 men, as we did after World War I. Until the world becomes rational again, until order is restored in Europe and in other parts of the world, I do not think the interests of America will be served unless we maintain a military force sufficiently large and well equipped to protect our interests everywhere. How long it will be necessary I cannot tell; but I am afraid that the necessity for it will not end in the immediate future.

So, \$7,500,000,000 will be the annual interest rate on the national debt. Five billion dollars a year at least will be necessary for the Military Establishment. Senators may make their own computation.

Then we must take care of the returning soldiers. They must be hospitalized. They must receive education, as we have promised them. We must make them

loans, as we have promised to do. These expenses are incident to the present war, and they will total in excess of \$15,000,000,000 annually for years to come.

I have not as yet touched the regular expenses of the National Government. Fifteen billion dollars a year must be provided by reason of World War II, for the immediate future, and as far as I can see in the future. Then we must take care of the soldiers of World War I, that as yet costs a gigantic sum. Pensions will be coming along in a little while, and they will make a terrific drain on the Federal Treasury.

It is my forecast, Mr. President, that the American people will have to raise approximately \$25,000,000,000 a year in taxes from this time henceforth in order to meet the running expenses of the Nation. If I am correct it will take many taxes to raise \$25,000,000,000 a year. If the Congress begins to destroy taxpaying property, where are we going to get the needed revenue?

A few years ago the Reclamation Bureau asked for money to build a transmission line in connection with the Shasta project. The Congress did not appropriate the money. The Congress went on record for the time being as being opposed to the building of this line. Yet, the Bureau of Reclamation went ahead and built the line at an expense of one and one-half million dollars. I say the Bureau built it without authority of law and in contravention of the express orders of the Congress of the United States. When the Reclamation Bureau had built this line, costing one and a half million dollars, it leased or rented the line to the Pacific Gas & Electric Co. for \$75,000 a year. It is now a publicly owned transmission line on which no taxes are paid. The company would have built the line; indeed the company agreed to build it; but the Government would not permit them to build a private line. It insisted on building its own line, and by that act not only used one and one-half million dollars of the taxpayers' money without authority of law, as I believe, but on the line thus built no taxes are collected, thus cheating the counties and the State of California of a considerable sum each year in taxes.

Mr. President, the San Francisco Bay area is an important section of California. It is an important section of the United States. It is growing rapidly. It will continue to grow rapidly. There has been no complaint to date that the local company has not furnished all the power that the citizens living in that area have requested, or even that the Government of the United States has requested. The company has served all the demands made upon it. There has been no complaint made before the committee that this private company has not furnished all the power that was wanted for the war effort, and for the cities and for the rural districts.

It is stated here on the floor, or the inference might have been left, that the farmers in that section were without electrical energy. Mr. President, the evidence does not sustain that contention. The evidence is that there are only one or two rural electrification co-

operatives in that area. The reason there are no more cooperatives there is because this local company has served and is serving the farmers. The Pacific Gas & Electric Co. has already created a gigantic REA covering that whole area, and I am advised that every farmer, unless he lives in a very isolated district, either has electrical current connected with his home or farm, or can obtain it by making application for it. So this plant is not needed to serve the city of San Francisco and other cities surrounding it and it is not needed to serve the farmers in that area, because they are served now.

Mr. OVERTON. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Louisiana?

Mr. THOMAS of Oklahoma. I yield.

Mr. OVERTON. Is there any complaint that the rates being charged by the private power company are unreasonable or exorbitant?

Mr. THOMAS of Oklahoma. I attended, I think, all the meetings held by the subcommittee when this issue was raised last year and this year. There was no complaint made from any source that there was a shortage of power in that area. That is the first proposition.

The second is that there has been no complaint from any source that the rates were too high. So we are permitted to conclude that the company has the power needed, and it is being distributed at a reasonable charge. I understand the rates are fixed by the Railroad Commission of California. Naturally, therefore, if they were too high, resort could be had to that organization on an application to have the rates reduced. So far as I know no applications are pending, but I am not advised concerning that.

Mr. OVERTON. I should like to address one other question to the Senator.

Mr. THOMAS of Oklahoma. I yield.

Mr. OVERTON. Will the line proposed to be built at Government expense be competitive with the existing line of the private utility?

Mr. THOMAS of Oklahoma. Yes, indeed. It is proposed to start at these two dams and build transmission lines as far as necessary in order to distribute the electrical current generated there, and to build a gigantic power plant, and have it stand idly by in high-water times, so that it can be available when water is low, to generate steam power to firm up the waning power of the hydroelectric plant.

Mr. President, as I said a moment ago, even if the Congress desired to start out to destroy property, or to build competing lines upon which no taxes are paid, I think now is the wrong time to begin such a policy. I think the Congress should be looking for places to obtain revenue instead of places to get rid of revenue. If the proposed transmission line and the proposed surveys are provided for that will be authority for the Reclamation Bureau to come forward next year and say, "We want \$10,000,000, \$15,000,000, or \$20,000,000 to start the lines and to start the building of the power plant." This is the enter-

ing wedge; if the Senate wants to go on record as desiring to have the United States put the Reclamation Bureau into the business of power development and distribution, then this is the way to go about it. They have not started it as yet to any considerable extent. At Boulder Canyon Dam, one of the largest in the country, the power is generated by the Government. But the power is sold at the bus bar, which means at the dam itself. I am advised that the Government has not a dollar invested in any transmission line taking power from Boulder Dam. Private power companies have built their own transmission lines to Boulder Dam. A private power company can obtain a permit to build a line to Boulder Dam and then take the power under contract. That is the policy which I favor. Under that system taxes are paid locally on the transmission line. Taxes are paid to the State, and to the Federal Government. If the proposed transmission line is built, it will be nontaxable. If the power plant is built, it will be nontaxable. It will be in competition with the private concern which is now serving the area.

I know only one person connected with the Pacific Gas & Electric Co. He is Mr. Black, who, I believe, is the president. He appeared before our committee last year and testified; and he appeared again this year. The information which I have is gathered from the hearings of last year and this year.

So, Mr. President, if the proposed transmission line is built, and the power plant is built, the Reclamation Bureau will be embarking upon a gigantic electrical energy development program, including distribution, not alone to cities, but to the people generally in the area. It will not stop with selling power to Sacramento City. It will not stop with selling power to the gas and electric company, or to the city of Oakland, or some other city. It has in mind not only building the transmission line and the power plant, but also building distributing lines to distribute the power throughout the cities in that area.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HAYDEN. I should like to have the Senator's authority for his last statement, because it is directly contradicted by the head of the Reclamation Bureau. The Reclamation Bureau never has engaged in that sort of activity since it was founded. How does the Senator know that the Reclamation Bureau plans to go into the local distribution of power? He is following a process of reasoning; but I am sure he has no basis of fact upon which to make that statement.

Mr. THOMAS of Oklahoma. I believe the Senator is correct so far as the record is concerned. So far as the record is concerned, the Bureau of Reclamation has not been so bold as to go to that extent. However, if the proposed transmission line and power plant were built, the Reclamation Service would have a vast power-generating system with no place to sell the power. What would it do with the power?

Mr. HILL. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HILL. Would not the private power company be glad to buy it?

Mr. THOMAS of Oklahoma. Suppose it were not?

Mr. HILL. That is the very point. If it were not, we ought to have the transmission line, so that we should not be at the mercy of any private power company.

I saw the Government of the United States spend millions of dollars to build Wilson Dam during the last war. Then I saw the Government stand absolutely at the mercy of the private power companies in that area. Power went to waste over the dam, and the Government was unable to sell it because there was no Government transmission line there, and the private power companies either would not buy the power, or would not buy it at the price which the Government considered fair. The fact is that the power which was sold to private power companies at that time went to the private power companies for a mere song, and was resold to consumers in that area at a huge profit.

Mr. THOMAS of Oklahoma. We must keep the record straight. Wilson Dam was not completed during World War I. It stood for years half-completed, and not a kilowatt of power could be generated, because there was no power-generating machinery, save in the Gorgas Steam Plant.

Mr. HILL. The truth is that the Wilson Dam was started during the last war. It was not completed until after the war. It did remain uncompleted for about a year; but it was completed long before the Government established the TVA and went into the sale of power. For month after month and year after year huge blocks of that power went to waste over the dam. Other blocks of it were sold, as I have said, for a mere song, to private power companies, and then resold by the private power companies to consumers at a huge profit.

Mr. THOMAS of Oklahoma. Mr. President, the record shows that the Pacific Gas & Electric Co. has offered to make a contract with the Government to take all the power—not merely the prime power, but all the power, including power generated in times of low water, power generated in times of half-high water, and power generated in times of dam overflow, which is called dump power. It will take all the power.

It is the contention of those who are opposed to this amendment that the Government could obtain more money by selling all the power. First, it would save the expense of the survey, and then it would save the cost of building the transmission line and the power plant. It would save \$75,000,000. It is the contention of those who claim to know, that the Government can sell all the power, including both the prime power and dump power, and obtain millions of dollars more for it than it could obtain by building the transmission line and building a steam power plant, and then finding a market for the electricity.

We have before us the offer of a contract to take all the power, prime power and dump power, over a period of 25

years. The Government would receive more money than it could possibly obtain—if the testimony is to be relied upon—if it were to build a transmission line and power plant, and then find an outlet for all the power it could provide. It could sell only what it could reasonably depend upon from the hydroelectric power facilities and the steam plant. Under the other plan, it could sell all the power, much of which would otherwise go to waste over the dam.

Mr. President, this amendment is only the beginning. If the amendment is adopted and the House conferees agree to it, and the money is made available, the plans will be made. Then next year at this time there will be requests before the Congress for sums ranging from \$10,000,000 to \$25,000,000 with which to start construction of the steam power plant and the transmission line. At present prices, the cost would be \$65,000,000 or \$70,000,000.

Mr. GUFFEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. GUFFEY. If we appropriate this \$115,000, will not the Bureau of Reclamation, of which the Senator is afraid, have to come to Congress for further appropriations?

Mr. THOMAS of Oklahoma. Yes; but if the Congress goes on record as approving this proposal, next year the Bureau of Reclamation will say, "Last year you gave us the money to make a survey. You would not have done it if you had not expected us to go ahead and make the plans."

Mr. GUFFEY. I think it is reasonable to make a survey. The survey ought to be made. The cost of the survey is a small item compared with the total cost. When I operated utilities I had surveys made to estimate the cost of various projects.

Mr. THOMAS of Oklahoma. That is all right, if the Congress decides to build the power plant.

Mr. GUFFEY. I do not believe that construction of the transmission line would mean that the Government would be going into the utility business. I believe that if the Government were to build the power line, the consumers would obtain lower rates than if the Government were not to build it.

Mr. THOMAS of Oklahoma. Mr. President, that raises the issue raised by the Senator from Ohio [Mr. BURTON]. If it is good business to appropriate money to obtain a lower power rate for San Francisco and the bay area, when there is no complaint about the rates, then it certainly would be good business to make a survey on the Potomac and start construction, or talk about the construction of a number of power plants on the upper Potomac, in order to get lower rates in the District of Columbia. It would be good policy to revive a proposal in Maine for the development of power, to obtain cheaper power all along the Atlantic coast. If we were to follow that reasoning, where would it lead us? We would be appropriating money to develop facilities to obtain lower rates for every conceivable kind of project in the United States. We would even be building competing railroads to hold down railroad

rates. We would be building power plants to bring power rates down. I contend, Mr. President, that that is not the proper way for the Congress of the United States to proceed. I am against this amendment, and I hope the amendment will not be approved.

Mr. HILL. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HILL. I do not think the Senator is logical in what he says. He says that if we were to make this appropriation to complete the surveys and lay plans for the transmission line and the steam plant, the next logical step would be perhaps to investigate the possibilities of power production on the Potomac River, or in Maine, or some other State.

As I see it, in this case the Government is carrying out a Federal function. It is carrying out a program which we adopted some years ago, in connection with irrigation. When the Government builds a dam to carry out a function which has undertaken, and power is developed incidentally, we should make sure that such power goes to the consumers in the particular area at a fair and reasonable price, and that the Government is not placed at the mercy of a private power company in the sale and distribution of the power.

Mr. THOMAS of Oklahoma. At this time we have assurances that the local company will contract with the Government to take all the power for 25 years to come, at a rate to be agreed upon.

Mr. HILL. Mr. President, will the Senator from Oklahoma yield further?

Mr. THOMAS of Oklahoma. I yield.

Mr. HILL. The Senator said, "At a rate to be agreed upon." There is a vast difference between a rate to be agreed upon and a definite rate which has been agreed upon. If the Congress of the United States, should it see fit to do so, votes down this proposal to complete these plans for a transmission line and the plans for a steam plant, then we will find that it will be far more difficult, in my opinion, to get fair and reasonable rates from the private power company than it would be if we were to go forward with these plans.

Mr. THOMAS of Oklahoma. Mr. President, this matter is not going to be decided this afternoon. If the amendment should be voted down, the offer of this company will continue to stand. It will be there for the consideration of the Government, and it will still stand, unless it is withdrawn. In case it is withdrawn, then probably my opinion would change. But as it now stands, I can see no use in appropriating \$70,000,000 to build facilities for the sale of power, when the evidence shows that the Government can get more money without building the facilities than it could if the facilities were constructed.

Mr. President, take the case of the District of Columbia. The Congress could appropriate \$70,000,000 to have a series of dams built on the upper Potomac River at the public expense. Then we would say to the electric company in Washington, "If you do not reduce your rates, we will build lines to compete with you." Of course, if we built the dams, we would have to build the lines, in order

to compete. But with the expenditure of the public's money we could sell the power at any price we might see fit. If we tax the people to pay the bill, we can sell the power at whatever we can get for it—one mill or two mills a kilowatt. But private concerns could not compete in that event.

By legislation similar to this, proposing surveys for the building of hydroelectric plants and plans for building transmission lines and plans for building stand-by steam plants, we probably could reduce the rates in the District of Columbia, and that would affect all our pocketbooks and it would reduce the amount of all the checks for power paid by private consumers the first of each month. But who would be in favor of it? Not I.

Mr. HILL. Mr. President, will the Senator from Oklahoma yield again?

Mr. THOMAS of Oklahoma. I yield.

Mr. HILL. The Senator has again, in my opinion, gone far afield, when he has talked about building dams to reduce the cost of power in the District of Columbia. That question is not involved here. The question here is one involving the position of the Government after it has built a dam to carry out a Federal function, and when power is incidentally generated at the dam. The question is whether the Government will make sure that the power which is generated will go to consumers in that area at a fair and reasonable price or whether the Government will be protected in seeing that the power does go to consumers at a fair and reasonable price.

If the Senator will yield further to me, let me say that the question of power rates is one as to which we cannot consider only the matter of price. We remember when many of the public utilities had all kinds of watered stock, and the people of the United States were paying rates for power based on that watered stock.

What we seek to do is to make sure that in consuming areas where the Government has built a dam the public will get the benefit of the power at fair and reasonable rates.

Mr. THOMAS of Oklahoma. Mr. President, power is now being generated at this plant, and is being sold. Every kilowatt of power that is being generated at the Shasta Dam is now being sold, so far as I know. We have not spent any money for a transmission line; we have spent no money for a power plant; but still we are selling the power as fast as we can develop it, and the situation is such that as more power is developed at that plant it can be sold. The offer is standing.

Mr. FULBRIGHT and Mr. McKELLAR addressed the Chair.

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator yield; and if so, to whom?

Mr. THOMAS of Oklahoma. I yield first to the Senator from Arkansas, who first requested me to yield, and then I shall yield to the Senator from Tennessee.

Mr. FULBRIGHT. Mr. President, I was interested in the statement made a moment ago regarding taxes and the loss of taxes incident to the cessation of operations by the private distributing com-

pany. I have been told by those who know about the Tennessee Valley Authority and are interested in it that it is true that the taxes paid by the private power company which was displaced have been lost, but that in its place a great many private enterprises have grown up, and that the taxes they pay more than replace the taxes formerly paid by the private power company, and now lost. I should like to know whether the Senator believes that to be a sound argument.

Mr. THOMAS of Oklahoma. Mr. President, no doubt it is true that to that extent private industries have been built up because of the power. The Tennessee Valley Authority Act provides that a certain percentage of the gross income from the sale of power shall be used to reimburse local towns, cities, and the State itself for losses of taxes. I realize that.

Mr. FULBRIGHT. Aside from the initial loss of local taxes, for which reimbursement is made, I understand that the projects do not pay Federal income taxes. That point, in particular, interested me. I am told that there has been such a growth of purely private enterprises as a result of the operations of the Tennessee Valley Authority that the taxes such enterprises pay much more than offset all the taxes the power companies used to pay. Does the Senator think that is true?

Mr. THOMAS of Oklahoma. To the extent that such private companies have gone into that territory, that is true. To that extent I am able to advise the Senator.

Mr. McKELLAR. Mr. President, if the Senator from Oklahoma will now yield to me, I should like to state that so far as the Tennessee Valley Authority is concerned, it pays taxes to the State, the counties, and the cities, and those taxes are fixed on the basis that the State and counties and cities should be paid taxes. That is provided for in the Tennessee Valley Authority Act. The argument as to loss of taxes was made against the TVA bill when it was before the Congress, and one of the greatest fights I ever was in was to secure the enactment of a provision that the Tennessee Valley Authority, when organized, would have to pay taxes. There was quite a fight about that. We finally won that fight; and the TVA pays taxes, just as any other private company does. The same could be done with respect to the project involved in the pending amendment.

Mr. THOMAS of Oklahoma. Mr. President, I think that situation should be clarified. The TVA do not pay a Federal income tax; they do not pay a State income tax. They pay a certain percentage of their gross revenues to the State, on the basis of some sort of a formula which is fixed in the law.

Mr. McKELLAR. The payment is made to the State, the counties, and the cities.

Mr. FULBRIGHT. Mr. President, if the Senator from Oklahoma will further yield, I should like to ask the Senator from Tennessee about Federal income taxes. What is the Senator's belief about the effect on such taxes in the valley of the Tennessee by the creation of new private enterprises which do pay Federal

income taxes? Has there been any substantial increase?

Mr. McKELLAR. Oh, yes; they have been substantially increased—although not to the proportion expected—and in that way the Federal Government receives more taxes.

But if it was desired to have this company, if it should be organized, pay a Federal income tax, that could be provided for. I am not sure that under the Tennessee Valley Authority arrangement the company should not pay Federal income taxes. I am rather inclined to believe that it should pay Federal income taxes, under the law.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. MOORE. In view of the inquiry made by the Senator from Alabama about the rates for the power, I wish to ask my colleague whether those rates are fixed by the Federal Power Commission and by the regulatory body of the State of California until they are assumed to be reasonable rates.

Mr. THOMAS of Oklahoma. Mr. President, the Senator is correct. The Federal Power Commission has control to a very large extent, but the Railroad Commission of California fixes the rates for the Pacific Gas & Electric Co. Those two organizations must be satisfied. The Federal Power Commission would not permit too high a rate, and neither would the Railroad Commission of California. So the rates which are charged to consumers in California must be fixed and agreed upon by the State regulatory body, the Railroad Commission of California, and by the Federal Power Commission.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 66, beginning in line 19.

Mr. LANGER. Mr. President, I suggest the absence of a quorum.

Mr. HAYDEN. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota withhold his suggestion of the absence of a quorum?

Mr. LANGER. I do.

SHIP-REPAIR LABOR ON THE WEST COAST

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MORSE. It is my understanding that it is the desire of the floor leaders to postpone further discussion and a vote on the amendment now pending before the Senate until tomorrow. Therefore, I shall address myself to another subject. Am I to understand, Mr. President, that the floor has been yielded to me in my own right?

The PRESIDING OFFICER. The Senator from Oregon has been recognized.

Mr. MORSE. Mr. President, I wish to discuss a very important issue which is before the country. It deals with the problem of ship-repair labor on the west coast. I assure the Members of the Senate that I regret the lateness of the hour, and I shall take no offense whatever if I address empty seats. The important thing is to get the material and the facts

which I wish to present into the RECORD this afternoon for future reference by Members of the Senate, and by various governmental agencies concerned.

I wish to assure the Senate that I speak from one motive only, namely, that of being helpful to all possible extent in bringing to bear on this problem certain facts within my possession, and of being helpful in seeing to it that those ships which are being damaged in the great heroic battles of the Pacific these days are repaired in the quickest possible time.

I wish to have it distinctly understood that in my judgment there is a responsibility and an obligation of labor to see to it that necessary skilled help is provided for the repair of those vessels within the shortest possible time.

I am convinced that once certain misunderstandings in regard to labor policies are ironed out, labor and the governmental agencies concerned will see to it that those ships to which I have referred are sent back to the battles of the Pacific in record-breaking time.

However, Mr. President, I think it is important that we, and the governmental agencies concerned, keep in mind that there is considerable misunderstanding as of this hour in regard to the causes of the failure on the part of the shipyards of the west coast to have at the present time a sufficient number of men to do the repair work which the Government is calling upon those yards to do.

I wish to assure the Senate, by way of preliminary remarks, that whatever disagreements or misunderstandings may exist between the speaker and any official in the Navy Department, are of no concern to me in relation to the great problem which we must solve. I hope that my remarks will be helpful to the Navy Department, and to certain other governmental agencies as well, in proceeding without further delay to solve the labor problems which I consider to be basic to the crisis now existing in the ship-repair yards on the west coast.

Last week the Navy Department informed the press of a serious shortage of workmen in Pacific coast shipyards. It was pointed out that the lack of sufficient mechanics in the shipyards would prolong the war in the Pacific and cost the lives of additional sailors, soldiers, and marines. It was indicated in the press conference that during the past month the Mare Island Navy Yard had suffered a net loss of 600 workers, so that the yard is now operating 9,000 workers below its ceiling; that the Bremerton, Wash., Navy Yard had lost 600 workers during the past month, and was operating 5,000 workers under its ceiling; and that the Hunters Point naval drydock had lost approximately 700 employees during the past month and needed the services of 6,000 additional workers to complete its operational force.

It was also stated the private ship repair yards in the Puget Sound area needed 8,000 additional workers; that the San Francisco area needed 3,500 additional workers; and that the Los Angeles area needed 5,000.

The inferences flowing from the Navy Department press conference of May 30

were that employees in the navy yards and in the private ship repair yards were more concerned over their personal welfare than in the repairing of our fighting ships in the Pacific fighting zone, and that they were quitting their jobs or refusing to seek employment because they were interested in securing positions which would give them permanent employment when the war ends.

The public's reaction to the Navy Department press statement is that labor in some manner or other is responsible for the shortage of skilled mechanics to do repair work on the Pacific coast.

Undoubtedly the story given to the press by the Navy Department will reach the attention of many of our heroic soldiers, sailors, and marines in the Pacific area. The story as carried in the press cannot help but leave the impression among our fighting forces in the Pacific that labor is letting them down in their most critical hour.

All this is most unfortunate, and the manner of its presentation uncalled for at this time. I do not believe that patriotic support can be secured from workmen by unfair public statements on the part of high naval officials.

I know something relative to the attitude of labor on the Pacific coast. What they have accomplished in the field of shipbuilding is unsurpassed in wartime production in this or any other country.

It was those workmen and their leaders who blazed the way for zone standard agreements to cover the shipbuilding industry during the period of the war. Four zones were established: Great Lakes, Atlantic seaboard, Gulf of Mexico, and the Pacific coast. The Pacific coast was the zone selected for the effort to negotiate the first coastwise agreement for the very practical reason that management, and the shipbuilding and ship-repair industry, and labor on the Pacific coast had carried on collective bargaining to a much greater extent than it had been carried on in any other section of the country.

In the early days of our defense program, prior to Pearl Harbor, as a result of a conference held beginning the early part of February 1941, at which management, labor, and the procurement agencies were represented, an agreement was finally reached to which the Government agencies approved establishing a rate of \$1.12 per hour for all competent mechanics employed in the zone between the Mexican border and the Canadian border.

Had it not been for the spirit of helpfulness and cooperation shown by organized labor on the Pacific coast, zone standard agreements would not have been set up in the other three zones.

Labor in the Pacific Northwest made a definite contribution to the policy of stabilizing wages throughout the Pacific zone. They were already receiving \$1.12 and \$1.15 per hour, but in the interest of national welfare they approved of the wage rates set up by the Pacific-coast zone standards, although this meant definitely that they received no increase in wages whatsoever.

I have not been supplied with all of the facts, but I have known workmen long enough to realize that they must be

moved by some urgent motive when large numbers of them indicate this spirit. I am satisfied it was a demonstration of sincere patriotism.

I want to raise the question here whether labor itself is responsible for the present shortage of workmen to do ship repair work on the Pacific coast. Protests which I have received from the west coast allege that the Navy Department, faced with a sudden problem, has looked around for someone on whom the blame and responsibility may be placed.

There has been the over-all policy of the Navy Department for many years to pay approximately the wages paid for workmen in private industry. However, in this instance, seemingly the Navy Department has not been, and is not now, paying the wages to which it gave its approval to private industry on the Pacific coast in 1941.

In private industry the union agreements with employers provide a minimum-wage rate and no maximum. The policy of the Navy Department is to divide all classifications of labor employed in navy yards into first, second, and third class.

With the merits or demerits of the union minimum-wage rate or the Navy Department's policy, I am not concerned at the moment. I am interested in discovering why the present great shortage of labor in the Pacific coast shipyards exists.

In 1941 the rate for mechanics was established at \$1.12. There was a proviso in that agreement that, should the cost of living increase 5 or more percent by April 1, 1942, the increase in the cost of living would be added to the \$1.12.

It happened that the Bureau of Labor Statistics indicated an increase of slightly over 13 percent during the year. The President of the United States, in April 1942, was using his every effort to prevent the inflation which was threatening at that time.

To assist the President in his praiseworthy effort, the shipyard workers on the Pacific coast agreed to accept 8 cents an hour advance instead of the 13-percent increase to which their agreement entitled them. As I commented in connection with another issue a few days ago, the President, in April 1942, wired the Chicago conference and asked the shipbuilding organizations to dispense with the so-called escalator clause of their contract. As I pointed out, that was the clause which provided that as the index of the cost of living went up, wages under the contract would go up at stated intervals in accordance with the index. Labor did dispense with the escalator clause, and the representatives of labor reached this agreement to accept 8 cents an hour advance instead of the 13-cent increase to which their agreement entitled them. The Government was a party to that agreement. This made the rate for journeymen mechanics in the private ship-construction yards of the Pacific coast \$1.20 per hour, and that is the present figure.

I ask my colleagues to keep constantly in mind that we are dealing with two types of yards as we consider this critical problem. We are dealing with the private industry yard, and we are dealing

with the navy yard, or governmental yard. When I use the figure \$1.20 an hour, I am talking about the rate paid in the private yard. That figure was established by the so-called shipbuilding stabilization agreements of April 1942.

Now, how does this \$1.20 operate when the Navy Department endeavors to secure workmen? The navy yards on the Pacific coast pay for most skilled workmen a medium rate, a middle rate, of \$1.20 per hour. Some workmen whom they consider especially skilled—comparatively speaking very few when we look at the total number of employees involved—receive \$1.26 an hour, while the hiring-in rate, the beginning rate, paid as a general practice in the navy yards of the Pacific coast is \$1.14, as compared with \$1.20 in the private yard.

Should the Navy Department be surprised when workmen are unwilling to leave \$1.20 or better to hire out in a Government navy yard at \$1.14 per hour, without any provision, any assurance, any regulations which would indicate to them the steps by which they might eventually be placed in the \$1.20 or \$1.26 class?

But the difficulty now, the shortage of workmen, is not in the field of new ship construction, but in the repair yards. They are needed for the rapid repair of our fighting ships. It is most regrettable that the industrial policy of the Navy Department is producing some serious misunderstandings between the Navy and labor on the west coast.

Since the First World War there has been a special rate for private shipyard workers engaged in repair. It developed independently in the big ship repair ports of the Pacific coast immediately after the First World War. It was known as the "dirty hour," which in practice meant that the men working on ship repair received 9 hours' pay for 8 hours' work because of the skill required and the extremely dirty character and more dangerous nature of ship-repair work. I understand that there are those who question that greater skill is required in the repair yards but by and large, it is generally recognized that greater skill is required on ship-repair work.

I repeat, the rate to which I have referred was known as the "dirty hour" rate, because of the skill required and the extremely dirty character and more dangerous nature of ship-repair work.

Mr. President, I digress from my prepared remarks a moment to point out that we are dealing here with an historical phenomenon. We are dealing here with a wage structure which has great historical precedent behind it. Those who are familiar with the growth of collective bargaining recognize that in the field of labor relations we cannot pass over lightly historical precedents, we cannot, with a wave of the hand, in the light of some emergency which at the moment would seem at first thought to justify it, cast aside long-established precedents and past practices in the field of labor relations. Labor has had to fight too hard historically to get some of these advantages established in their contracts to take silently or without protest, at least without a plea for adjustment, a proposal by some Government official or

agency to wipe away a long-established historical wage pattern.

Please understand—and those familiar with my record I am sure need no persuasion on this point—that no man in the Senate would insist more than the present speaker, whenever it is in the interest of the war effort for labor or any other group in this country to sacrifice some present advantage or past practice in the interest of the war effort. But I do wish to point out that it is very easy, under patriotic sanctions, for officials of the Government to do a great injustice, so far as labor relations are concerned, by using first the argument, this past practice impedes the war effort and should be abolished.

In my experience as a member of the War Labor Board, when I heard that argument, which usually was presented at the beginning of a case, I would press for an analysis of the argument, and I frequently found what I am afraid will be found in the present controversy, that an analysis of the argument will show that the 11.6 percent differential uniformly applied will not impede the war effort but that the war effort will be served by preserving this historical wage rate about which I am speaking.

In fairness, let me point out that there is great dispute, apparently, among the agencies and the companies and the labor organizations concerned as to whether all the companies on the coast were parties to the so-called San Francisco amendments of 1942 or as to whether the procurement agencies were official parties to the amendments.

I am perfectly willing, however, Mr. President, to let the record speak for itself, and I want to say that the issue now is not whether any particular person or agency was or was not a party to the San Francisco amendments of 1942; the issue now is whether or not those amendments of 1942 ought to be applied on a coast-wide basis, not only in the interests of the prosecution of the war but simply in plain fairness and equity to all parties concerned. Unless this problem is solved in the immediate future I predict it is going to be a very hot labor issue in this country, and at a later date I intend to speak at some greater length than I shall this afternoon on this matter. At that time I will present to the Senate data which I think substantiates the thesis that there has been unfair discrimination against some of the ports of the West coast by the Navy, by the ODT, by the Army, by the War Shipping Administration, by these Government agencies that have had charge of the allocation of ships, railroad facilities, and the transportation of cargo to the Pacific war zone.

I digress at this point only long enough to say that for many months the great port of Portland, Oreg., has not been used anywhere near to full capacity. There have been times when 70 percent of the facilities of the port have not been used. My distinguished colleague the senior Senator from Oregon [Mr. CORDON] and I and other representatives of the West coast have pleaded time and time again with these Government agencies at least to show cause why the facilities

of that port should not be used to a maximum, and each time we were told, "Just wait. Before long you will not be able to take care of the cargo that will go through that port."

The fact remains, Mr. President, that the port was discriminated against so far as the use of its facilities are concerned. Yes, they even went so far as to move longshore gangs from the port of Portland to San Francisco to handle surplus cargo that had reached San Francisco. Yet in the port of Portland railroad facilities were not being used to a maximum, dock facilities were not being used to a maximum. Longshoremen were not provided with full employment and they lost much time and pay waiting for the port to be used. We were continually told by representatives of the Army and the Navy, the War Shipping Administration, and the ODT, "Just wait. Soon you will not be able to take care of the cargo."

Mr. President, I am perfectly aware of the fact that under the exigencies of war clocklike efficiency cannot be expected. I am perfectly willing to be exceedingly charitable, but when months drag on to a 12-month period and the statistics show that after a year that port has not received the use which it should have received, I find it necessary to raise my voice in protest, and I shall speak on the subject, after certain data are supplied me by certain parties and officials in the State of Oregon, at greater length at another hour.

Mr. President, a more polite term for the "dirty hour" was established at the Pacific coast conference in May 1942, at which amendments were made to the existing coastwide ship-repair agreement. To adopt a term more gratifying to those interested in polite English, the "dirty hour" was translated into the 11.6-percent increase which in the pay envelope was identical to receiving the 9 hours' pay for the 8 hours' work on ship repair.

May I say parenthetically that we also need to keep in mind the fact that in peacetime ship-repair work is much more casual than in wartime. It is true that by and large there has been steady employment in the shipyards during the war; in fact, they have been constantly asking for more men. We need to keep in mind, however, the casual nature of the work as a general pattern of work in these yards in order to understand the insistence upon the part of labor that they cling to the historical advantage which they won through collective bargaining when they established the so-called dirty-hour rate of pay.

This pay formula had been in existence for many years, and it was only fair and right that it should be continued. The Government procurement agencies were represented at the April 1942 conference in Chicago, and they called for the amending of these ship-repair agreements on the west coast. They were parties to the San Francisco conference. They were members of the conference subcommittee at San Francisco. And in the end the amendments were officially approved by the Navy Department and the Maritime Commission, as Senators

will see by certain exhibits which at the close of my remarks I shall ask to have inserted in the Record.

Thus the 11.6 percent became the standard rate for employees in the ship-repair yards on the Pacific coast. What does the 11.6 percent mean to the shipyard workers in private industry? Simply this, that instead of receiving \$1.20 per hour, which is the rate on new ship construction, they receive \$1.34 an hour when employed on ship repair.

I cannot help questioning the practical industrial understanding of some individuals in the Navy Department when they expect highly skilled workmen in the navy yard to work for \$1.26 an hour, when in private industry in the same vicinity the Navy Department is officially party to an agreement which provides the payment of \$1.34 an hour on ship repair.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. AIKEN. Would the Senator say that the fact that the workers in the navy yards are not covered by unemployment compensation insurance, whereas they are in the private yards, has a bearing on the possible reluctance of men to leave private yards to go to work in the navy yards, with a possibility of being thrown out of work within a few months without unemployment compensation?

Mr. MORSE. The answer is unquestionably yes, and I thank the Senator for his contribution.

Mr. President, the point raised by the Senator from Vermont [Mr. AIKEN] is simply another angle of the whole problem which shows, in my judgment, that the time has come for a reevaluation of the whole labor policy of the Navy in these shipyards, in the interests of a more effective prosecution of the war. Before I get through I intend to discuss at some length the principle which has been applied by the War Labor Board in this case, and I hope to establish to the satisfaction of the Members of the Senate that certainly here is a case where the rare and exceptional case doctrine criterion should be applied by the War Labor Board as it reconsiders this case.

But disparity in labor policies between the Navy and private industry is not the only reason why a problem exists in the repair yards of the Pacific coast. In 1941, when the original ship construction agreement was negotiated by management and labor it covered the entire Pacific coast. There was a question of repair rate, but the Government representatives at that time held that they had not been authorized to negotiate for more than the new construction shipyards. However, they urged management and labor in the ship repair industry to get together and negotiate an agreement covering ship repair. This management and labor on the Pacific coast did within 3 days after the new ship construction agreement had been signed.

That agreement contained variations in the so-called shift premiums. It also continued the practice of many years to pay double time for overtime. I am speaking now of the 1941 agreement.

In 1942 a national shipbuilding conference was held in Chicago, Ill., at which the Government, shipyard management, and shipyard labor throughout the Nation were represented. Among the questions which came up at that conference was the question of the repair agreement on the Pacific coast. It arose because the Navy Department insisted that some of its provisions should be modified.

I emphasized the point, Mr. President, that the record indicates to my satisfaction that in the Chicago conference in 1942 it was the Navy that insisted that the ship-repair agreement on the west coast be modified in some of its particulars.

For this reason the national conference instructed the Shipbuilding Stabilization Committee to immediately call a conference of ship-repair management and ship-repair labor on the Pacific coast for the purpose of amending the original coastwide ship-repair agreement of 1941. At this ship-repair conference labor agreed to accept time and a half instead of double time for overtime. It agreed to reduce the amount of shift premiums to the lowest rate then being paid in the Pacific Northwest. That agreement was ratified by a vote of ship-repair yards. It was ratified by a referendum vote of all local unions and all the metal trades councils on the Pacific coast.

In fairness, in behalf of western Senators, I have called upon the procurement agencies to supply us with any information which we do not have. Let me say that if they can supply us with any information not contained in the record which has been placed at our disposal to date, and if that record supports any statement contrary to the statements I am making based upon the record to date, I shall see to it that the correction is made. However, I repeat that to date the procurement agencies have not supplied us with any information at variance with the official records which have been placed at our disposal.

All official records which I have seen to date indicate that the San Francisco ship-repair amendment conference was called as a coast-wide conference, and that it was a Pacific coast ship-repair conference. No question arose, I am told, that it was not a coast-wide ship-repair conference until the Navy Department and the Maritime Commission, late in 1943, began to put ship-repair work into what had been new-ship construction yards in southern California.

Let us have an understanding about that change in the direction of ship-repair work on the west coast. Up until the time the procurement agencies started using new-ship construction yards in Los Angeles for repair purposes, ship repair on the west coast was done primarily in the ship-repair yards from San Francisco north. I think we need to bear that material fact in mind when we evaluate at a later time the allegations now made by some parties to this dispute, that the 1942 San Francisco amendments did not cover the southern California yards because some of the principals were not present at that conference.

Incidentally, Mr. President, it has not been the policy—and justifiably so, in many instances—of our war agencies to refuse to apply a general principle to all parties concerned with a problem merely because some of the parties may not have originally been parties to the discussion at the time the principle was agreed upon. It would be very interesting to take some of the decisions of various Government agencies, including the War Labor Board, the Manpower Commission, the WPB, and some others, and try to test their orders and directives on the basis of whether or not all parties to the agreement were present when the agreement or policy was adopted by the Government agency concerned.

Do I need to illustrate the point? If so, I can do it by one very interesting example. Let us take the so-called wartime labor policy resting upon the no-strike, no-lockout agreement. Literally thousands and thousands of American employers and American labor organizations were not present when that agreement was reached with the Government, and yet the Government made it applicable to all, and took the position that it was no defense for employers or labor organizations to come before the War Labor Board and object to jurisdiction on the ground that they were not present when the agreement was reached. In view of the war emergency I defend the policy of the Government in such instances.

Up until 1942 practically all of the repair work being done on the west coast was being done in yards from San Francisco north. The question at this point is whether or not it should be said that the amendments adopted at the 1942 conference, to which the Government was a party, were not applicable to the southern California yards because the managements of the southern California yards were not at the San Francisco Conference. In my judgment we can say in this case, as we have in so many other cases, that we can take judicial notice of the fact that management knew that the parties concerned at the San Francisco Conference were dealing with a ship-repair program, and met to adopt policies which would be applicable on a coast-wide basis.

The Navy Department subsequently held, if I am correctly informed, that the Pacific coast ship repair agreement did not apply to southern California. It took this position in 1943. Some representatives of the Navy Department apparently informed ship-repair yards in the Los Angeles area that if they paid the 11.6 percent, the Government would not reimburse them. I am informed that the Navy Department denies that any such statements were made to ship-repair management by any of its representatives; but I am also informed that in spite of this denial, ship-repair management officials affirm their previous statements.

Be that as it may, it involves a question of fact. It certainly is a question of fact that can be—and I am satisfied will be—brought out when this great case is heard on appeal in the near future by the War Labor Board.

I know from records which I have examined that the managements of ship repair yards of San Francisco and the Pacific Northwest were convinced, when they attended the ship repair conference of 1942, that the amendments were coast wide in nature. Otherwise they would assuredly not have agreed to set up injurious competition by agreeing that southern California ship-repair yards should pay to ship-repair employees a lower rate than was to be paid on the rest of the coast.

Let me say again, by way of digression, that one of the basic problems here is the problem of discrimination in favor of the southern California yards, to the detriment of the northern yards. It seems to me that it stretches our credulity a bit to be asked to assume that labor and the representatives of the procurement agencies, as well as the representatives of management concerned would have entered into the San Francisco amendments of 1942 if they were not to be applied to the southern California area. At that time the southern California area was not doing ship-repair work to any appreciable extent. I do not mean that no ship might not have been repaired in Los Angeles; but I mean that so-called ship-repair work was being sent for the most part into the northern yards. So I say that in my judgment it was a bit late, in 1943, for the Navy Department to say, "The agreements do not apply to the southern California yards."

It is also very significant, Mr. President, to note that the record shows that after it was apparently decided by the procurement agencies that the agreement did not apply to the Los Angeles yards, ship repair work, all out of proportion to its direction to other yards, was directed to the Los Angeles area. I mention that point again to bring attention to bear on the fact that we are dealing here with a problem of discrimination in fact. It seems to me that the intent of those responsible for it is quite immaterial. If, in fact, that has been the result, then it is easy to understand how misunderstandings have developed between the procurement agencies and northern management and the labor organizations concerned.

For 16 months now this question has delayed a final answer. Most of shipyard management on the Pacific coast is agreed. Shipyard labor on the Pacific coast, from Seattle to Los Angeles, are highly indignant; they feel that their own Government has dealt unjustly with them, that in fact it has short-changed them.

For some time there has been a threatened stoppage of work on ship repair in southern California.

Let me say that you will never hear from my lips any defense or any condonation of any stoppage of work in the California area, if it does occur. On the contrary, you will find me saying, as I have said before without exception, that no work stoppage or strike can be justified in time of war. I care not what may be the provocation or what may be the injustice involved; no group of workmen under any circumstances can, in my

judgment, justify a work stoppage in time of war.

However, my protests and yours are not going to change human nature. Under certain circumstances, my protests and yours will not stop men from acting emotionally when they should act on the basis of reason.

Hence I say it is the obligation of the Government to proceed without delay to get to the bottom of this controversy. That should be done, not on the basis of any threat of a strike—I would meet that one head on; I would make very clear that we are not going to tolerate threats—but on the basis of trying to find out what are the causes of the disagreements now existing. I think it is the obligation of the Government to analyze the case in all its details and to end the discrimination which, in my judgment, is the basis of this manpower problem which has arisen.

Mr. President, I repeat that for some time there has been a threatened stoppage of work on ship repair in the southern California yards. It has required most urgent pressure by the metal trades department and the international unions to prevent the taking of a strike vote. However, the situation is as acute as ever. In view of these facts, it is not surprising that labor on the Pacific coast is not flocking into the navy yards or flocking into the private ship-repair yards.

It is my measured opinion that the Navy Department would have been much more practical in its efforts to secure needed labor for ship repair on the Pacific coast if, instead of publicly criticizing labor and indirectly accusing it of a lack of patriotism, it had frankly faced the problem of the payment of the 11.6 percent for repair work done in navy yards on the Pacific coast and in the southern California yards. Personally I think the Navy in all good faith has been misled into believing that the amendments of 1942 did not cover southern California. In my judgment the Navy should publicly recommend to the War Labor Board that the 11.6 percent on ship-repair work be paid throughout the ship-repair yards on the Pacific coast. However, if the Navy is convinced that the 1942 amendments were not intended to cover southern California, then in my judgment the Navy should proceed on the basis that this case involves the rare and exceptional factors which the President had in mind when in all of his wage stabilization Executive orders he reserved the right of the War Labor Board to make exceptions in special or exceptional cases. On the basis of that criterion, I say the Navy should take the position, and should so recommend to the War Labor Board, that this case is one involving matters so vital to the successful prosecution of the war that the 1.6 percent should be a blanket rate paid up and down the Pacific coast.

Mr. President, I now request unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a letter published in a San Francisco newspaper—the San Francisco News—by Columnist Arthur Caylor. The letter is entitled "A Letter to the Presi-

dent on 'Battle of San Francisco Bay.'" In the letter the columnist sets out, as I have attempted to point out in some of my remarks, the source of the friction which has arisen between the procurement agencies and labor, and I think it has a very direct bearing upon the points I am making.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

A LETTER TO THE PRESIDENT ON "BATTLE OF SAN FRANCISCO BAY"

(By Arthur Caylor)

DEAR PRESIDENT TRUMAN: From the cold-chill facts they've just spilled to the public it seems valid to assume Secretary Forrestal, Admiral Horne, and Admiral Nimitz have told you we could lose the war with Japan right here on San Francisco Bay—unless we start getting those fighting ships repaired faster than Jap suicide bombers can rip them apart.

Probably they've told you Mare Island Navy Yard has been given the Nation's No. 1 manpower priority, yet that key repair center is 9,000 men short, and has been losing instead of gaining civilian workers since VE-day—which leaves the Jap one up.

But have they told you a big part of the manpower trouble comes about because, at Mare Island, where the need for men is greatest, the Navy can't pay as much, in many cases, as the Army pays for the same skill at Benicia Arsenal, 5 miles away? Have they told you the Navy can't pay at the same rates men can get at Kaiser's and Moore's and other bay repair yards which actually operate under supervision of Admiral Tisdale, commandant at Mare Island—as agencies of the Navy itself?

The Navy is really appealing to the most highly skilled men in the country—and that's almost the only kind of manpower it can use—to work at Mare Island for sometimes as much as 50 cents an hour less than the Navy will pay them to work just around the corner, where they're not wanted half as much.

This sounds silly, Mr. President. But it's true. And that's the reason I make bold to suggest that, when you're out here a few days hence, you scoot over to Mare Island and fix this thing up. For, while nobody says so, I have a hunch it's one of those interdepartmental matters the President could fix up with a word when the brass hats might spend years getting nowhere. I do know for a fact that Navy higher-ups have been trying for months to bring Mare Island pay to the private-yard level—and they're exactly where they started.

RATIO OF 23 TO 1

You see, all work at the yard is done by civilians. The civilians are under civil service. Civil service sets up the scope of the jobs and the pay therefor. War crisis or no war crisis, that's what the Navy is stuck with. Admiral Tisdale may be the boss, but the only power he can exercise over a civilian worker is to fire him—and he is not likely to fire even the worst goldbricker these days, provided he can get a fraction of a day's work out of him for a day's pay.

The civil-service status of the yard also prevents the unions from moving in. In fact, so long as they could send men elsewhere, the unions naturally chose plants where their members got the union scale and the union had an agreement with the management. They could do that until Mare Island was boosted from No. 3 to No. 1 on the manpower-priority list.

The wonder is that they have anybody left at Mare Island, and the explanation seems to be that thing called patriotism. Thousands stick because they see those stove-in destroyers—because, working in the twisted superstructures where men have died, they realize

what it means when Nimitz says Jap fliers who rode death onto their decks damaged 23 light craft off Okinawa in two successive tries.

Furthermore they realize from Nimitz's statement that only 1 destroyer was sunk while 23 light craft were hit that it is truly a "battle of ship repairs." They know, too, that it's vital to get every fighting ship back into the Pacific as soon as possible so they can inflict new hurt upon Japan before Japan can devise new ways to inflict hurt upon us. They've been told we crushed Germany just in time to escape new devastation by rocket and jet plane—even, the censors have allowed it to be said, by atomic power explosives—which it must be assumed a desperate Japan is trying to bring off.

REPAIRS BIG CHANGE

Skilled workers on the outside, however, don't see any reason they should work for the Navy at Mare Island for less than the Navy will pay them, for instance, at Kaiser's. Perhaps, sir, this has not even been made clear to you.

The reason is that ever since a Commander Farragut took charge in 1858 Mare Island has been primarily a repair yard. To it new construction has always been incidental. Hence it has the repair know-how. Hunters Point is also a specialist on repairs. Bethlehem is one private yard that knows its repair work. Other private yards on the coast are pretty much learning a new business. They just can't hit the Mare Island clip.

Shipbuilding and ship repair are just as different as auto building and auto repair. In the factory a man can spend his life putting fenders on Fords. In the shop he'd better know what makes Lizzy run—even when she's a Cadillac. You ought to see what an electrician is up against when fire-control gets smacked—or what other craftsmen must figure out when they get into a damaged engine room. They just can't be enough supervisors to tell them the answers. The men must know for themselves.

That's why it's so important to get skilled workers to Mare Island in new thousands. That's why draft regulations have been eased. That's why they're muttering again about a labor draft. But while any new legislation might take months, maybe you, Mr. President, could break this pay bottleneck in a minute. It might make all the difference in "the battle of San Francisco Bay."

Mr. MORSE. Mr. President, I wish to read into the RECORD only one or two paragraphs from the letter. I shall read only that much of it at this time, in the interest of continuity of my remarks.

Mr. Caylor said:

DEAR PRESIDENT TRUMAN: From the cold-chill facts they've just spilled to the public it seems valid to assume Secretary Forrestal, Admiral Horne and Admiral Nimitz have told you we could lose the war with Japan right here on San Francisco Bay—unless we start getting those fighting ships repaired faster than Jap suicide bombers can rip them apart.

Probably they've told you Mare Island Navy Yard has been given the Nation's No. 1 manpower priority, yet that key repair center is 9,000 men short, and has been losing instead of gaining civilian workers since VE-day—which leaves the Jap one up.

But have they told you a big part of the manpower trouble comes about because, at Mare Island, where the need for men is greatest, the Navy can't pay as much, in many cases, as the Army pays for the same skill at Benicia Arsenal, 5 miles away? Have they told you the Navy can't pay at the same rates men can get at Kaiser's and Moore's and other Bay repair yards which actually operate under supervision of Admiral Tisdale, commandant at Mare Island—as agencies of the Navy itself.

Then the author discusses the other disparities and inconsistencies which you will find, if you analyze this problem, existing between and among shipyards on the west coast, including the private yards and the navy yards. Because of the lateness of the hour, I shall not read the entire letter; but Senators will be able to read it in the *Record* tomorrow.

Mr. President, a great deal of misunderstanding is being created on the west coast because of unfortunate press statements which have been made by high Navy officials. For example, this morning I received a letter from a citizen of Portland who is very much concerned with this problem. He refers to an admiral, whose name I will not state. He says that an admiral—

and some others are calling the shipyard workers slackers, and I, for one, don't like it. Admiral Land came to the coast some time ago and stated publicly that the shipyards work would soon be cut down.

The yards have been firing workers right and left, sometimes as high as 2,000 a week, and at the same time taking on some new hands. Good men here from the Middle States have been let off, and can you blame any man with a family to look out for seeking to make himself secure when they keep preaching to him of the unemployment ahead?

I wonder if these admirals who cut down the shipbuilding so quickly think the Japs are a pushover, as we say.

The workers who have had some part in the program of shipbuilding which supplies the world and helps win the war should certainly not be called slackers by the men who are now complaining.

I imagine skilled mechanics are now needed to repair these broken ships that are coming in. A raise in their wage scale with a bonus on staying to the finish would probably get all the help needed. I only wish we could encourage the worker to do a good job, instead of calling him "slacker."

I wish to say that I think it is most regrettable that these name-calling tactics are being followed. Such a course creates misunderstandings. It is not helpful to the problem, and in my judgment it is entirely and totally uncalled for.

Mr. President, on May 21 I addressed a letter to George W. Taylor, Chairman of the National War Labor Board, in behalf of the Senators from Washington [Mr. MAGNUSON and Mr. MITCHELL], the senior Senator from Oregon [Mr. CORDON], and the junior Senator from California [Mr. DOWNEY]. I shall now read it.

MAY 21, 1945.

NATIONAL WAR LABOR BOARD,
Washington, D. C.
Attention: Dr. George W. Taylor,
Chairman.

GENTLEMEN: I am writing this letter in behalf of Senators MITCHELL and MAGNUSON, of Washington, Senator CORDON, of Oregon, Senator DOWNEY, of California, and myself.

I wish to say, Mr. President, that the only reason why the name of the very distinguished senior Senator from California [Mr. JOHNSON] was not included in this letter is because of the fact that I was unable to reach him on that day. I have, however, discussed the matter with him since, and he has expressed to me his agreement that we should seek from the agencies concerned the information which I have asked for in this letter.

Continuing with the reading of my letter to Dr. Taylor, the letter states:

As Senators from the West, we are very much concerned over representations which have been made to us relative to the application of a wage differential in ship repair yards on the west coast whereby southern California ship repair yards are placed in a more favorable position than the ship repair yards from San Francisco north. It is our understanding that a recent decision of the Shipbuilding Commission of the War Labor Board holds to the effect that the 11.6-cent wage differential for ship repair work does not apply to the southern California yards. The implications of such a decision, if it becomes final, would have tremendous economic repercussions in every one of the west coast States.

As Senators from the States of Washington, Oregon, and California, we are very much concerned about the matter, and consider it our duty to call upon the National War Labor Board for a full report of the history of this case and of its present status.

At the present time we are seeking information as to the background of the matter and as to what is shown in the records of the case to date. It would be very helpful to us if the National War Labor Board would have prepared and submitted to us at an early date a report setting out in chronological outline the history, facts, and rulings to date pertaining to this case. In submitting a report to us, we would particularly like to be informed as to what your records show has been the position taken by the Army, the Navy, and the Maritime Commission throughout the history of this case. Some of the protests we have received allege that the procurement agencies were parties to the so-called San Francisco amendments but have, nevertheless, been instrumental in making representations to the fact that the 11.6 differential should not apply to the southern California yards.

Further, we would like to be informed as to whether or not the National War Labor Board has scheduled or contemplates scheduling a public hearing on the case when the appeal from the Shipbuilding Commission's ruling is heard.

If, in the opinion of the National War Labor Board, we would be given a better understanding of the case by attending a special session of the Board, at which session the case could be explained to us, we would try to meet with the Board because we are very anxious to make certain that we fully understand all the facts of the case before we take any further steps in regard to this very vital west-coast problem, and we would be glad to abide by your pleasure in regard to such a discussion meeting.

I am sure that the members of the Board will appreciate fully the sincerity of our interests in this matter because obviously, if the Ship Building Commission's decision has the effect of discriminating against ship-repair yards from San Francisco north, we shall wish to take such steps as may be necessary on a congressional level to remedy the situation.

Your immediate attention to our request would be very much appreciated.

Sincerely yours,

WAYNE MORSE.

As of the same date, in behalf of the Senators, whom I have previously mentioned, I sent a letter to the Secretary of the Navy which stated:

MAY 26, 1945.

HON. JAMES FORRESTAL,
Secretary of the Navy,
Washington, D. C.

MY DEAR MR. SECRETARY: I am enclosing a copy of a letter which has been sent to the National War Labor Board on behalf of Senators MITCHELL and MAGNUSON, of Washing-

ton; Senator CORDON, of Oregon; Senator DOWNEY, of California; and myself. It pertains to the west coast ship-repair wage-differential issue, which has become a matter of great concern to us.

After we receive the report from the National War Labor Board which we have requested, we shall ask for the privilege of discussing the matter with you so that we may obtain an official statement of the Navy's position on this issue. If, in the meantime, there is any material which you would like to have us consider along with the NWLB report of the case, we will be very pleased to receive it.

Very sincerely yours.

Mr. President, I ask unanimous consent to have printed in the *Record* at this point as a part of my remarks similar letters which were written to Hon. Henry L. Stimson, Secretary of War, and to Vice Admiral Emory S. Land, Chairman of the United States Maritime Commission.

There being no objection, the letters were ordered to be printed in the *Record*, as follows:

HON. HENRY L. STIMSON,

Secretary of War, Washington, D. C.

MY DEAR MR. SECRETARY: I am enclosing a copy of a letter which has been sent to the National War Labor Board on behalf of Senators MITCHELL and MAGNUSON, of Washington; Senator CORDON, of Oregon; Senator DOWNEY, of California, and myself. It pertains to the west coast ship repair wage differential issue which has become a matter of great concern to us.

After we receive the report from the National War Labor Board which we have requested, we shall ask for the privilege of discussing the matter with you so that we may obtain an official statement of the Army's position on this issue. If, in the meantime, there is any material which you would like to have us consider along with the NWLB report of the case, we will be very pleased to receive it.

Very sincerely yours.

Mr. MORSE. Mr. President, on June 1, 1945, I received the following letter from Dr. Taylor, Chairman of the National War Labor Board:

MY DEAR SENATOR MORSE: I have your letter written on behalf of Senators MITCHELL and MAGNUSON, of Washington; Senator CORDON, of Oregon; Senator DOWNEY, of California, and yourself, in which concern is expressed about the action of the National War Labor Board in denying payment of the 11.6 percent wage differential on repair and conversion work in the shipyards of southern California on the same basis upon which it is paid in the shipyards of San Francisco and the west coast north of San Francisco.

In response to the request made in your letter, we shall submit a report setting out the history, facts, and rulings of the Board pertaining to the ship-repair differential on the west coast. Such a report would have reached you before this date but for the fact that Mr. Keezer has been away from Washington. He is the public member of the Board who has been most consistently in touch with the recent developments of the ship repair differential issue and I therefore want to have him check our report to you. Mr. Keezer has now returned and will work with me in getting the detailed report to you promptly.

In the meantime, I am sending you with this letter a copy of an opinion explaining why the Board, on July 13, 1944, refused to order an extension of the ship-repair differential to the shipyards of southern California. This was when the issue was most recently before the Board.

That was July 13, 1944. Incidentally, the issue had been before a special commission of the board since then, but not before the Board itself. The Board has not had an opportunity to correct what in my judgment is a great wrong. I am trusting that upon appeal, when the matter is viewed from the angles of the exigencies of the present moment, and the case is viewed from the standpoint of the successful prosecution of the war, the Board will see fit to apply the rare and exceptional case doctrine to it.

I read further from Dr. Taylor's letter.

In reading this opinion—

That is, the opinion of the Board of July 13, 1944—

you will note that representatives of the United States Navy, the War Department, the Maritime Commission, and the War Shipping Administration urged the Board to deny extension of the ship-repair differential to the southern California yards and that in so doing said that such an extension would hamper them in getting ahead with winning the war.

I think that statement calls for a squaring of the position taken by representatives of the procurement agencies at the San Francisco Conference of 1942 with their subsequent representations before the National War Labor Board.

I return to the letter.

In this connection it was noted that the administration of the ship-repair differential in some of the northern yards had so far divorced it from compensation for the special requirements of ship-repair work that escort girls were paid a differential of 11.6 percent for escorting visitors through repair yards.

Mr. President, I digress for a moment to say that if abuses had developed under the ship-repair agreement I would be the first to insist that those abuses be eliminated. The existence of abuses did not, in my judgment, justify a discrimination in favor of the southern California yards as against the northern California yards. In my humble opinion, power existed to eliminate the abuses. But, as I see the facts of the case, there was no justification for setting out the southern California yards in a preferred position. However, I do not pass judgment at this time upon any alleged abuses or for that matter upon the merits of the Board's decision except to say that the decision has not solved the problem.

I return to Dr. Taylor's letter.

As is indicated by the opinion, the unions argued their case upon a construction placed by them upon an agreement made with the Government procurement agencies. This agreement, they claimed, required that the ship-repair differential should be made uniformly effective in all yards on the Pacific coast. It was our conclusion, however, that the procurement agencies were correct in their contention that there had in fact been no such agreement.

Also we were of the opinion that our shipbuilding commission had been correct in its conclusion that the extension of the differential to the southern California yards could not be justified by reference to the prevailing policies of wage stabilization.

While refusing to extend the ship-repair differential to southern California yards on the same basis it is paid in the north, the Board specifically recognized the propriety

of special compensation for the special requirements of actual repair work. Such compensation is at present provided in a variety of forms and amounts by most of southern California yards. The Board, in effect, invited those engaged in ship-repair work in southern California to work out and submit plans adequately to provide such compensation but eliminating the abuses which had been demonstrated to characterize the application of the 11.6 percent differential in the northern yards. This attitude was not only expressed in the opinion I am enclosing but also in conferences with representatives of the workers in the southern California shipyards in which I participated along with Mr. Davis, while he was Chairman of the Board, and with representatives of the procurement agencies.

As you know, cases involving compensation for ship repair work for southern California shipyards will again be before the Board shortly. I shall gladly communicate to the Board your excellent suggestion that the Senators for whom you write meet with the Board in order to provide assurance that all aspects of the problem involved are fully understood. You may be assured of my personal desire, which I know is shared by the Board, to have you and your senatorial colleagues secure the data necessary for a complete understanding of what the Board has done in dealing with the issue in extending the ship-repair differential to southern California shipyards, and why.

If the detailed report which we shall send you shortly, leaves any questions unanswered, we should be eager to have the opportunity to answer them.

Yours sincerely,

GEORGE W. TAYLOR,
Chairman.

N. B.—I am enclosing enough copies of this letter and the opinion to enable you to furnish them to your colleagues if you so desire.

Mr. MORSE. Mr. President, I ask unanimous consent to have the War Labor Board's directive order of June 22, 1944, and its opinion of July 13, 1944, in this case, printed in the RECORD at this point in my remarks.

There being no objection, the order and opinion were ordered to be printed in the RECORD, as follows:

NATIONAL WAR LABOR BOARD,
June 22, 1944.

IN THE MATTER OF BETHLEHEM STEEL CO. (SHIPBUILDING DIVISION), TERMINAL ISLAND, CALIF., AND INDUSTRIAL UNION OF MARINE AND SHIPBUILDING WORKERS OF AMERICA, CIO, LOCAL NO. 9

(Case No. 2245-CS-D)

DIRECTIVE ORDER

By virtue of and pursuant to the powers vested in it by Executive Order 9017 of January 12, 1942, the Executive orders and regulations issued under the Act of Congress of October 2, 1942, and the War Labor Disputes Act of June 25, 1943, the National War Labor Board having accepted the petition for review filed in the above-entitled case and having reviewed the merits of the case, hereby decides the dispute between the parties and orders:

I. The directive order of the Shipbuilding Commission, dated December 1, 1943, in the above-entitled case is hereby affirmed and adopted as the order of the National War Labor Board.

II. Any clauses in the agreement regarding payment for work on ship repair which were made contingent on the ultimate disposition of the dispute regarding the 11.6 percent repair differential shall be renegotiated by the parties and, if necessary, resubmitted to the Shipbuilding Commission for approval

or for determination by supplemental directive order.

Representing the public: Lloyd K. Garrison, Dexter M. Keezer, Edwin E. Witte.

Representing industry: Walter T. Margetts, Earl F. Blank, S. Bayard Colgate.

Representing labor: Dissenting: R. J. Thomas, John Brophy, Robert J. Watt.

NATIONAL WAR LABOR BOARD,
June 22, 1944.

IN THE MATTER OF LOS ANGELES SHIPBUILDING & DRY DOCK CORP., SAN PEDRO, CALIF., AND INDUSTRIAL UNION OF MARINE AND SHIPBUILDING WORKERS OF AMERICA, LOCAL 9, CIO

(Case No. 25-648-A)

DIRECTIVE ORDER

By virtue of and pursuant to the powers vested in it by Executive Order 9017 of January 12, 1942, the Executive orders and regulations issued under the act of Congress of October 2, 1942, and the War Labor Disputes Act of June 25, 1943, the National War Labor Board having accepted the petition for review filed in the above-entitled case, and having reviewed the merits of the case, hereby decides the dispute between the parties and orders:

I. The ruling of the Shipbuilding Commission dated December 1, 1943, in the above-entitled case is hereby affirmed and adopted as the order of the National War Labor Board.

II. Any clauses in the agreement submitted to the National War Labor Board which deal with the payment for work on ship repair and to which the union agreed on the assumption that either the dirty hour or the 11.6-percent ship-repair differential would be approved by this Board shall be renegotiated by the parties and, if necessary, resubmitted to the Shipbuilding Commission for approval or for determination by supplemental directive order.

Representing the public: Lloyd K. Garrison, Dexter M. Keezer, Edwin E. Witte.

Representing industry: Walter T. Margetts, Earl F. Blank, S. Bayard Colgate.

Representing labor (dissenting): R. J. Thomas, John Brophy, Robert J. Watt.

NATIONAL WAR LABOR BOARD,
July 13, 1944.

IN THE MATTER OF BETHLEHEM STEEL CO. (SHIPBUILDING DIVISION) TERMINAL ISLAND, CALIF., AND INDUSTRIAL UNION OF MARINE AND SHIPBUILDING WORKERS OF AMERICA, CIO, LOCAL NO. 9

(Case No. 2245-CS-D (25-373-4))

OPINION

The sole issue in this case is whether the decision of the Shipbuilding Commission of the National War Labor Board dated December 1, 1943, denying the union's request for the establishment of a wage differential of 11.6 percent to be applied to repair work should be affirmed or whether the Commission's decision should be reversed and the Bethlehem Steel Co., shipping division, at Terminal Island, Calif., be required to pay that differential for repair work.

This issue, now before the Board on appeal, has been fully discussed before the Board at two hearings the first on March 27, 1944, and the second on June 8, 1944. At the first hearing permission was granted to the Metal Trades Department, American Federation of Labor, to intervene. Parties having a major interest in the outcome of the case who were not present at the first hearing were invited to attend the hearing held on June 8, 1944. The Board has also had the benefit of numerous briefs, comments, and suggestions submitted by interested parties.

The background of the dispute, the history of the development on the west coast of a differential in pay for repair work and the reasons underlying the Commission's determination of the case are fully set forth in

the opinions of Cochairmen Paul A. Dodd and William E. Simkin, of the Shipbuilding Commission. They need not be repeated.

Representatives of Government procurement agencies, namely, the United States Navy, the War Department, the Maritime Commission, and the War Shipping Administration participated at the hearing conducted by the Board on June 8, 1944, and urged the Board to affirm the Shipbuilding Commission's decision and deny the application of the union to establish the repair differential in the southern California area. The procurement agencies concurred fully in the findings of the Commission that (a) the existence of the repair differential in the shipyards located in the San Francisco area and the areas to the north is not in itself sufficient to justify its extension under national wage stabilization policies to all areas in the Pacific coast, and (b) the need for the repair differential in southern California was not sustained on its own merits nor is the differential necessary to aid in the effective prosecution of the war.

The procurement agencies opposed the introduction of the repair differential into the Los Angeles-San Diego area and stated: (a) that the differential would increase the cost of production since there was no showing that there would be an increase in production or efficiency; (b) that as a matter of equity there is no basis for a differential between repair and new construction work; (c) that the differential cannot be justified as a premium for special skill; (d) that to introduce the differential into the Los Angeles area will create unstabilizing conditions and result in future pressure for equalization of rates on higher levels not only for new construction work in the shipbuilding industry but for other industries; (e) that there is no traditional background in the Los Angeles area for a repair differential; (f) that the entire Pacific coast is not a single labor market and that there have traditionally been differentials between regions on the Pacific coast and that, therefore, the payment of the differential in northern California, Oregon, and Washington, does not create an inequity in southern California; (g) that the operation of the repair differential in northern California has created conditions that interfere with the fully effective prosecution of the war program as demonstrated by recent difficulties in the San Francisco area.

In a letter addressed to the Shipbuilding Commission, dated October 15, 1943, interested Government agencies stated in part:

"The experience in the areas where the repair differential now exists has demonstrated that continual migration occurs through the effort of workers to transfer to shipyards where repair work is prevalent; that production is adversely affected through unrest caused by the desire of workers to increase their 'take-home'; that workers once assigned to repair work are reluctant to accept any employment under other conditions; that workers customarily employed on repair work frequently refuse to accept work on new construction and commonly will lay off whenever repair work runs short, rather than to remain continuously employed if they must accept new construction rates; that whenever both repair and new construction work must be assigned to the same yard, immediate unrest occurs, resulting in work stoppages or slow-downs because of the differing conditions."

In that part of its opinion dealing with some of the practical difficulties in administering the 11.6-percent repair differential, the majority of the Shipbuilding Commission remarked:

"An employee in the machine shop may work first on a piece of metal being toolled for a repair job, then on one for use on a new construction job, all during the course of a single shift's operation. Would he, were the repair differential in force in the yard, re-

ceive two different rates of pay for performing what in reality is identically the same work? Or, if this man worked on repair work only, say for a week, would he, upon completion of the repair job welcome returning to the new construction work at some 11 percent below his old rate? What would his work mate across the aisle say if he gets all—or even more than what is thought to be a proper share—of the repair work, while for the same type of work this man gets only the base pay without the differential?"

"It is not hard in the face of these realities," the Commission concluded, "to understand some of the difficulties and abuses which, according to the record in these cases, have developed along with the application of the differential in the yards along the west coast north of southern California."

It is the considered judgment of the National Board, that in the light of the statements by representatives of Government agencies and the findings of the Shipbuilding Commission the Board cannot in the absence of clear and convincing reasons to the contrary reverse the Shipbuilding Commission's determination.

We do not find justification for reversing the Commission's decision. The argument relied on in the main by the union at the recent hearings before the Board was that there exists an all-inclusive coastwise repair agreement on the west coast obligating all shipbuilding companies on the west coast engaged in ship-repair work to pay the 11.6 percent repair differential.

The 11.6-percent repair differential was first incorporated into a written agreement at Seattle, Wash., on April 1, 1941. Bethlehem Steel Co. was not represented at the Seattle conference nor did the company agree to be bound by the 11.6-percent repair differential which was negotiated at the conference by representatives of various shipbuilding companies and the American Federation of Labor. Representatives of the Government agencies were not present at the Seattle conference.

In May 1942 a ship-repair conference was held in San Francisco at which representatives of the Government were present. The agreement negotiated at the San Francisco conference included, among other provisions, a provision for the payment of the repair differential which had originally been agreed upon at Seattle. The agreement specifically provided that it was "subject to the final ratification or approval by the principals of the representatives attending the Pacific coast ship-repair conference in San Francisco, which convened May 29, 1942." No evidence was produced that Bethlehem Steel Co., Terminal Island, ever ratified or approved the Pacific coast ship-repair agreement.

Arguments have been made that nothing took place at the San Francisco repair conference which would have led the labor groups to believe that the repair agreement was not intended to be coastwise in the same manner as the master agreement covering new construction had been; that the procurement agencies did not indicate directly or indirectly that the repair agreement would not be coastwise; that the companies in southern California were bound as a matter of good faith to abide by the terms of the agreement which had been approved by the majority of the west-coast shipbuilding companies, and that the procurement agencies well know that the purpose of the ship-repair conference was to establish uniform conditions throughout the Pacific coast.

The testimony as to just what had been the intentions of the Government representatives and the participants at the San Francisco repair conference is conflicting. This is quite understandable. The Government representatives testified that at the San Francisco conference they sought to have the repair agreement, embodying the 11.6-percent differential made coastwise, but were turned

down both by management and labor. Later when the leaders of the labor organizations engaged in shipbuilding on the west coast united in an effort to have the 11.6-percent differential extended to southern California, the representatives of the Government agencies had changed their minds on the desirability of having the differential made applicable up and down the Pacific coast because, in the words used by one of them at the hearing on June 8, "between 1942 and today we have seen how that 'darned' differential operates."

Nonetheless, it is quite clear that the agreement reached at San Francisco in 1942 specifically provided that it was subject to approval or ratification by the principals. It is equally clear that Bethlehem has never approved or ratified that agreement. Whatever may have been the intentions of the participants at the conference, we cannot hold that the company was bound by an agreement to which it was not a party. We cannot subscribe to the position of the union that there exists on the west coast a coastwise ship repair agreement binding not only the signatories to that agreement but all companies on the west coast engaged in ship repair.

Also we find no evidence that would justify us in upsetting the finding of the shipbuilding commission that the payment of the repair differential is not justified under wage stabilization policies. The Commission found that approval of the differential could not be made on the basis of correcting substandards of living; that no claim was made that further adjustments were due under the 15 percent Little Steel formula; that no justification for the differential exists under any reasonable interpretation of the principle of permitting adjustments up to the minimum of the brackets of the sound, the tested, going rates for the same or similar types of work within the area; that the differential cannot be justified on the ground that repair work as a whole is so much difficult than the new construction work that an inequity exists between the two that justifies the payment of the differential.

While on the basis of evidence presented, the Board must reject the union's contention that the 11.6 percent differential should be paid to all employees engaged in repair work on the Pacific coast, it does not follow that a perfect solution of the general problem presented in this case is thus attained. On the contrary much remains to be done before such a solution can be plausibly claimed.

The record in these cases makes it clear that in the Pacific coast shipbuilding areas now under consideration there is frequently substantial economic justification for special wage allowance for work on ship repair as opposed to new construction. The historical justification for such an allowance is that ship repair work is occasionally dirtier, frequently requires special skill, and affords less regular employment than work on new construction. During wartime the latter justification has largely disappeared, but the other two justifications may remain and apply in varying degrees to varying situations.

In San Francisco and the Pacific shipbuilding centers to the north, however, special compensation for ship repair work which was originally based upon special requirements of such work has been so standardized and generalized that it has in some instances lost all relation to its original economic justification. How far this process has gone in some cases can be illustrated by the fact that in one of the northern yards escort girls have been paid the repair differential of 11.6 percent for that part of their labors devoted to escorting visitors through the part of the yard devoted to repair work. Such an arrangement makes more understandable the opposition of the Government agencies to any extension of the differential south of San Francisco.

At the same time it appears that some of the small yards in southern California make no provisions for special compensation for repair work, while the adequacy of the provision made by other yards has not been tested by detailed inquiry. Representatives of the Bethlehem Co. testified that it makes a variety of provisions for special pay for repair work which are not made by the shipbuilding companies in the north, such as double pay for all Sunday repair work and double time for Saturday and holiday work on commercial repairs. Also the company's contract with the union provides for special compensation at one-half the regular hourly pay for unusually dirty work. It is the opinion of the majority of the Shipbuilding Commission, which is underlined in the concurring opinion of the Chairman of the Commission, that "the present program of the Government procurement agencies which permits the contractor to pay premium rates to workers based upon exceptional skill and special qualifications, together with the contract provisions for 'unusually dirty work' * * * afford adequate and fair allowances for any real and permanent differences in work requirements or qualifications which the performance of one type of work may exact over the other type."

On this point the Board accepts the conclusion of its Shipbuilding Commission which is applicable to other companies having similar contract provisions. However, as the Commission recognizes, the conclusion does not necessarily apply in the case of some companies which have no such contract provisions. Also there has been no detailed inquiry into the actual practice of companies having such contract provisions in utilizing them together with the payment of premium rates to provide appropriate compensation for repair work. Thus work remains to be done to provide complete assurance that adequate compensation is consistently provided for repair work in the southern California shipyards, where in fact in any given instance the individual worker employs greater skill or the particular work is excessively dirty. It is work in which the Shipbuilding Commission, the procurement agencies, and the Shipbuilding Stabilization Committee can be expected to be actively and continuously interested.

However, the problem specifically before this Board is in this case not that of providing what seem to be some needed reforms in the administration of the 11.6 percent ship-repair differential in the north. Neither is it that of devising and prescribing an appropriate scheme of compensation for ship-repair work in the south—a task which is complicated by the fact that some contracts of the shipbuilding companies in southern California which make no provision for special payment for repair work run for the duration of the war. As stated at the outset, the sole issue before the Board is whether or not the Shipbuilding Commission should be affirmed in its decision denying the union's request that the Bethlehem Co. be required to pay a differential of 11.6 percent on repair work. On this issue a majority of the Board, with its labor members dissenting, sustains the decision of the Commission. To do otherwise would require the Board to disregard the assertion of representatives of our fighting forces that extension of the 11.6 percent differential would hamper them in getting ahead with winning the war, and the finding of our own Shipbuilding Commission after extensive study of the problem and hearings on the west coast that there is foundation for such an assertion. It would require the Board to do this in spite of the fact that neither contractual obligations nor principles of wage stabilization place any compulsion upon it to extend the differential southward to the Bethlehem Co. at Terminal Island. Under such circumstances the Board would be neglectful of its duties as a National

War Labor Board if it were to order such an extension of the differential.

DEXTER M. KEEZER,
Public Member.

Mr. MORSE. Mr. President, on page 2 of the opinion we find this language:

The procurement agencies opposed the introduction of the repair differential into the Los Angeles-San Diego area and stated: (a) that the differential would increase the cost of production since there was no showing that there would be an increase in production or efficiency.

That is obviously true; if they paid 11.6 percent more, there would be an increase in cost.

(b) That as a matter of equity there is no basis for a differential between repair and new construction work.

That is a very disputed point, Mr. President, and of course it goes to the very issue as to whether or not this differential should have existed historically. But why should the procurement agencies take it upon themselves to make representations to the War Labor Board that this differential should not be continued?

In my judgment, the position they took when the case was before the Board is partly responsible for the bad feeling and the misunderstanding which has developed between the procurement agencies and the parties concerned.

(c) That the differential cannot be justified as a premium for special skill; (d) that to introduce the differential into the Los Angeles area will create unstabilizing conditions and result in future pressure for equalization of rates on higher levels not only for new construction work in the shipbuilding industry but for other industries; (e) that there is no traditional background in the Los Angeles area for a repair differential.

As to the last point, Mr. President, I repeat that the Los Angeles yards have been used as new-construction yards and not repair yards prior to the war and the repair work was initiated with this war. Does that justify the procurement agencies making the argument that because the southern California yards have not done the repair work before this war they should come in, upset a differential which has existed and been paid on the west coast since before the First World War in those yards which have done most of the repair work?

(f) That the entire Pacific coast is not a single labor market and that there have traditionally been differentials between regions on the Pacific coast, and that therefore the payment of the differential in northern California, Oregon, and Washington does not create an inequity in southern California.

They overlooked the point that we are dealing, in the shipping industry, with zone agreements. Of course, there are in other industries differentials on the west coast, but we are dealing here with an agreement which seeks to provide a uniform policy for the west coast in ship-repair work.

(g) That the operation of the repair differential in northern California has created conditions that interfere with the fully effective prosecution of the war program as demonstrated by recent difficulties in the San Francisco area.

I assume that the procurement agencies refer there to alleged abuses which

have crept into various ship-repair and new-construction agreements on the west coast, but I do not think they are germane to the real issue before us, as to whether or not a discriminatory policy should have been set up on the west coast, aided and abetted by the procurement agencies.

It is an excellent opinion, Mr. President, in setting forth the War Labor Board's point of view. I do not agree with the findings, nevertheless, I respect the Board's judgment in the premises. I am convinced that present emergencies make the decision undesirable as a fixed policy.

It is interesting to note that the labor members of the Board dissented, and it is also interesting to note that this differential issue has continued over the months because of the great unrest in the shipyards on the west coast.

Mr. President, on May 28 I received a telegram from the Metal Trades Conference, meeting in convention in San Francisco, in regard to this problem, and I replied to it on May 29. In order to keep the record straight I ask unanimous consent to have the telegram and my answer to it inserted in the RECORD at this point in my remarks.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

MAY 29, 1945.

E. M. WESTON,

President, Pacific Coast District Metal Trades Council, Eureka Calif.

Wire signed by you and many other Metal Trades Council representatives received. Recently sent following letter to Secretary of Navy Forrestal, Secretary of War Stimson, and Admiral Land, Chairman of the Maritime Commission:

"I am enclosing a copy of a letter which has been sent to the National War Labor Board on behalf of Senators MITCHELL and MAGNUSON, of Washington, Senator CORDON, of Oregon, Senator DOWNEY, of California and myself. It pertains to west coast ship-repair wage differential issue which has become a matter of great concern to us.

"After we receive the report from the National War Labor Board which we have requested, we shall ask for the privilege of discussing the matter with you so that we may obtain an official statement of your department's position on this issue. If in the meantime there is any material which you would like to have us consider along with the NWLB report of the case, we will be very pleased to receive it."

Have also requested detailed report from National War Labor Board. In that request I stated, "As Senators from the States of Washington, Oregon, and California we are very much concerned about the matter and consider it our duty to call upon the National War Labor Board for a full report of the history of this case and of its present status. In submitting a report to us, we would particularly like to be informed as to what your records show has been the position taken by the Army, the Navy, and the Maritime Commission throughout the history of this case."

I wish to assure you that Senators from Washington, Oregon, and California will continue to seek clarification of this case. If present ruling favorable to southern California repair yards can be justified we shall insist that officials concerned demonstrate beyond question that it can be justified.

WAYNE MORSE,
United States Senator.

EUREKA, CALIF., May 28, 1945.

Hon. WAYNE MORSE,

United States Senate, Washington, D. C.:

Gathered now in Eureka, Calif., are the representatives of the local metal trades councils of the Pacific coast and also officers of the international unions comprising the metal trades department of the American Federation of Labor, whose members locally form the local metal trades councils, all of whom are parties to the Pacific coast ship-repair agreement as negotiated in 1941 by the repair shipyard agreement and the members of the metal trades department of the American Federation of Labor. Present at our conference in Eureka are the representatives of labor who took part in negotiating the repair agreement of 1941 and the amendments to that agreement negotiated May 1942 by labor, shipyard management, and the official representatives of the Navy, the Maritime Commission, and the War Production Board. These amendments were officially approved by the Assistant, and now Under Secretary of the Navy and by the Chairman of the Maritime Commission. One of the amendments provided for the payment of the 11.6 percent for ship-repair work above the wage rate for new-ship construction work throughout the Pacific coast. The Navy Department and the Maritime Commission has consistently refused to pay this repair rate or permit employers to pay it in southern California. This act of bad faith has now existed for 16 months, despite our continued efforts to have the appropriate Federal agencies correct this great injustice to ship-repair workmen in southern California. Because of the patriotic determination of the workers on the Pacific coast to keep our fighting ships in the Pacific repaired without delay, they have refrained from resorting to the use of their economic power to enforce the terms of the Pacific coast ship-repair agreement. This action of the Navy Department and Maritime Commission in repudiating the Pacific coast ship-repair agreement has so affected the morale of the members of the metal trades unions that they have completely lost faith in agencies of government to discharge their share of the responsibility of enforcing the provisions of a tripartite agreement. We have been informed of the sincere interest which the United States Senators and Congressmen from the Pacific coast are taking in this problem, which justifies our again appealing to you. We heartily appreciate your friendly assistance in a situation which we now believe can only be adjusted through your continued interest in our rights under the ship-repair amendments of 1942. We now earnestly request that should your present efforts in our behalf fail of success that you use your influence to institute a congressional investigation of this intolerable situation.

E. M. Weston, President, Pacific Coast District Metal Trades Council; M. H. Stafford, Executive Secretary, Pacific Coast District Metal Trades Council; Orrin Burrows, Bremerton (Wash.) Metal Trades Council; W. L. Rotermund, Eureka (Calif.) Metal Trades Council; Walter Gallant, Everett (Wash.) Metal Trades Council; Emil Schlecht, Kelso-Longview (Wash.) Metal Trades Council; A. L. Laster, Los Angeles (Calif.) Metal Trades Council; Roy C. Hill, Portland (Oreg.) Metal Trades Council; Cecil Seaman, Pasco (Wash.) Metal Trades Council; M. L. Ratcliff, San Diego (Calif.) Metal Trades Council; A. F. O'Neill, Seattle (Wash.) Metal Trades Council; Don Ahrens, Tacoma (Wash.) Metal Trades Council; A. T. Wynn, Bay Cities Metal Trades Council, San Francisco, Calif.; William Lazarini, International Molders Union of North America; Clayton Bilderback, United Asso-

ciation of Journeymen Plumbers and Steamfitters; J. Earl Cook, Sheet Metal Workers International Association; Joseph Clark, Brotherhood of Painters, Decorators, and Paperhangers of America; Don Cameron, United Brotherhood of Carpenters and Joiners of America; Tom Crowe, International America; Frank Weibel, International Brotherhood of Blacksmiths, Drop Forgers, and Helpers of America; J. A. Johnson, International Federation of Technical Engineers, Architects, and Draftsmen of America; Otto Reiman, International Brotherhood of Electrical Workers; R. Corey, International Union of Operating Engineers; George Castleman, International Association of Machinists.

Mr. MORSE. Mr. President, I wish to point out that for the past several months not only have many thousands of workers been let out of west coast shipyards, but the workers have had made available to them official reports of the Government showing that in the months to come shipyard employment is to be cut back drastically.

I understand that shipyard work is to be cut back; yet it seems to me, Mr. President, that until the war in the Pacific is won we can justify and we must accept, perhaps as one of the costly wastes of war—because war itself is wasteful—the maintaining in our shipyards of the manpower necessary to meet the emergencies of the war. I know it can be said, and I want to be fair, that when the agencies issued some of their public announcements, notifying labor there were to be these sharp cut-backs in shipyard employment, they did not anticipate the emergency in which we now find ourselves. I am not a military expert, and I am not prepared to say whether or not these agencies should have anticipated this emergency. Nevertheless I take it for granted that they did not anticipate that we were going to have this very heavy ship-repair job to do as the result of Japanese suicide attacks on our Pacific Fleet.

Be that as it may, Mr. President, the fact is that the shipyard workers have been told that thousands of them are going to be let out of employment. I have before me a report of the War Manpower Commission entitled "War Manpower Commission Estimate of Month-End Manpower Requirements in Six Major Shipbuilding Establishments—Ship Construction Only, Based on Present Contracts June 1, 1945." The report supports the statements which have been made by Government officials in recent weeks. The report shows the difficulty that confronts the War Manpower Commission in stemming the tide of manpower movements away from the shipyards.

The total figures found in the report, Mr. President, as of April 1, 1945, are not the figures of total shipyard employment during this war. The total shipyard employment was much higher than the figures as of April 15, 1945. But covering the yards concerned, the Oregon Shipbuilding, Kaiser Co., Inc., Vancouver, Kaiser Co., Inc., Swan Island, Willamette Iron and Steel, Commercial

Iron Works, Albina Iron and Machine, all located in my own State of Oregon, the figure as of April 1, 1945, was 92,887. The estimated figure for December 1, 1945, is 41,000. In other words, the Government has pointed out to these shipyard workers that their number is going to be reduced in just these yards in my State from 92,887 to 41,000.

The same type of report has been issued in regard to other shipyards on the west coast—with what result? Well, Senators you know how the grapevine travels, as we say in labor circles. It just went down through those yards, "Boys, it is almost over. We are going to be let out in great numbers. We had better look for other jobs." And many of them have left the yards.

Let me point out, so I will not be misunderstood, that many of them were let out of the yards, too. There have been great numbers of dismissals in these yards in recent months.

Now, Mr. President, we come into an emergency situation. Officials of the Navy call men slackers because they have acted—and I think it is understandable why they have done so—on the basis of statements from this Government itself that there going to be these heavy cut-backs. So many of those who have jobs in the Middle West have gone back to them, and many of those who have farms in the Middle West have gone back to them.

What are we going to do about it? I can assure you, Mr. President, that according to my sights the answer is not "Give to the procurement agencies compulsory manpower control." They just make too many mistakes to have any such great power placed at their disposal. The answer is, in my judgment, that we have to be perfectly realistic about this problem, and recognize that if we are to get the men back there that are needed we must give them assurance that discriminatory policies will not be practiced. We must give them assurance that the Army and the Navy, as well as private concerns that are not paying the differential, will pay the differential as the first step in the ironing out of this problem.

Then, I think, Mr. President, we ought to be much, much more intellectually honest about this manpower problem in the shipyards. We have got to recognize that sometimes emergencies develop which require a greater use of manpower than we are able to use always day by day. I for one make no apologies, Mr. President, for the suggestion that we will back up our boys in the Pacific much better if we spend the millions of dollars that may be necessary to keep those men in the yards on the job available for work, than to encourage them, as we have in recent months, to go back to the Middle West, to leave the shipyards, and then find ourselves stranded when an emergency such as the present one develops.

Mr. President, I do not believe in unnecessary waste, but I say that we can ill afford to save dollars when it comes to protecting and saving lives in the Pacific.

I do not suggest that we pay men to loaf until their services are needed. But

I do say that it would be very sensible to place contracts in the shipyards on the west coast for peacetime construction which would keep the men working in that area so that when such an emergency as the present one arises they could be transferred quickly to the repair yards for work. The safety of our men in the Pacific demands such foresightedness. We must keep those workers available until this war is won no matter what the cost.

I also wish to introduce in the RECORD at this point, Mr. President, a series of telegrams which the west coast regional office of the War Manpower Commission has sent to the Portland office of the Manpower Commission, which show that the Manpower Commission has been doing its level best to see to it that the necessary priorities are given to these shipyards in order to stop, now that the emergency has arisen, this flow of manpower away from the yards. I want to commend the exceptionally able work which in my judgment the head of the Manpower Commission office in Portland, Oreg., Mr. L. C. Stoll, has done in this regard. In a letter which I received from him this morning, dated June 2, is a very interesting sentence. He wrote:

You just cannot compete in recruiting workers for the Navy against wage scales paid in private shipyards.

If the Navy is going to be realistic about the matter in my judgment it must recognize that the Manpower Commission cannot meet this emergency unless the Navy makes certain that it eliminates its discriminatory practices, and that there is an equalizing of these ship repair wage rates.

Mr. President, I ask unanimous consent to have the telegrams printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MAY 23, 1945.

L. C. STOLL,
State Manpower Director,
War Manpower Commission.

Following changes made in national production urgency list of May 21—Ship repair establishments—this item is amended to read as follows—"For repair and maintenance of the fleet and for repair and maintenance of all vessels in establishments under allocation from the office of the Coordinator for CWP repair and conversion upon verification by the Coordinator. All west coast shipyards, for repair and maintenance work only, shall be assigned urgency rating No. 1 on a par with the aircraft carriers specified in exhibit D, section 3. Where there is interference with the Manhattan district project, the Manhattan district project shall have preference." Field instruction incorporating changes will be issued shortly.

F. W. HUNTER,
Regional Director,
War Manpower Commission.

MAY 23, 1945.

L. C. STOLL,
State Manpower Director,
War Manpower Commission.

The following wire has been sent today by headquarters to all regions excepting regions XII and XI. Reasons for not transmitting to these regions are obvious. "At its meeting Monday the production executive committee accorded a No. 1 urgency rating to various ship repair yards located on the west coast. Yesterday the National Selective Service Sys-

tem granted blanket deferments to electricians, machinists, ordnancemen, instrument repairman, sheet-metal workers, copper-smiths, pipefitters, boilermakers, and riggers employed in these yards. These two actions are indicative of the degree of importance presently attached to the repair of ships disabled as the result of action in the Pacific. Furthermore, it is apparent from reports from most authoritative sources that failure to repair promptly, damage incurred in the Pacific theater, may seriously delay victory over the Japanese. The Navy repair yards are literally filled with ships requiring immediate repair.

The Navy Department is utilizing to maximum capacity the private repair facilities available on the west coast. Manpower must be recruited in sufficient numbers to meet critical requirements for highly skilled workers and a No. 1 priority, second only to Manhattan district recruitment, has been assigned.

At this time only the navy yards located at Mare Island, Hunters Point, and Puget Sound have orders in interregional recruitment. You are urged immediately to exert every possible effort to gear up recruitment for these yards giving full effect to the new priority rating that has been assigned.

Region XII, in an all-out effort to meet repair yards demands, has been recruiting with an emergency category No. 2 rating in bay area, and will recruit throughout region XII with a No. 1 rating in the future. Region XII gives unqualified support to the present needs for the workers in the classifications now in interregional recruitment and states that this demand should not be confused with the general easing of the labor market on the west coast in unskilled categories. When other yards approved with a No. 1 urgency rating enter the interregional recruitment field you will be advised and quotas assigned.

In view of the critical emergency existing on the west coast as the result of recent misfortunes in the Pacific theater we cannot overemphasize the importance of meeting your interregional recruitment quotas.

You will be advised within a few days of the demand for workers which will exist for June and July. Meanwhile your utmost efforts will be expected.

It has been determined administratively feasible to accord all ship repair recruitment not otherwise accorded a priority No. 1 rating nationally, an emergency No. 2 priority rating locally. The latter emergency No. 2 priority rating shall only be accorded recruitment for openings on ship-repair employment and shall be applied to combination ship repair, ship construction establishments only if the establishment has fully applied effective worker transfers from ship construction to ship repair and offers assurance that there will be no diversion of workers to ship construction for workers so recruited for ship repair.

F. W. HUNTER,
Regional Director,
War Manpower Commission.

MAY 28, 1945.

L. C. STOLL,
State Manpower Director,
War Manpower Commission.

As you were advised in my multi-teletype of May 23, headquarters has been pressing to remove any and all limitations which may in any way interfere with getting workers to ship-repair yards and returning battle-damaged boats back into action at the earliest possible moment.

To buttress your efforts, we too have been following through and have been in frequent consultation with commander, Western Sea Frontier, and staff, and the United States Civil Service Commission here.

The results of headquarters action were relayed to you in my May 23 wire. Results

of our efforts in the regional office are as follows:

PUBLICITY

A. An all-out national publicity program is being prepared. This will feature statements by top Government officials—Army, Navy, War Manpower Commission, others.

B. Relaxation, for the first time, of security regulations which will permit the telling of much of the Pacific battle story which heretofore has not been revealed.

C. Closest possible tie-in between State information representatives and Navy public relations officers, to give fullest possible support to the campaign to staff west coast repair yards.

These programs are in the developmental stage in this writing, with selection of Navy publicity men soon to be named. These officers will work with your public relations staff at the appropriate time.

RECRUITMENT

A. The commander, Western Sea Frontier, has proposed to Navy headquarters a plan to use the recruiter organization of the Navy's west coast command construction program. This will mean the employment of some 40 or more experienced recruiters, who will assist the Civil Service and USES in the staffing problem, without interfering with duties, responsibilities, and processes of USCSC and USES.

B. The Under Secretary of the Navy has approved this proposal.

WAGES

A. The Navy has agreed to press for wages at the top of the present range so as to achieve maximum competitive position in recruitment for needed skills.

B. Every effort will be made, through strong representations to the War Labor Board, to achieve wage scales that will attract and hold skilled craftsmen.

The Navy requested:

A. That all union officials, of the crafts involved, be fully advised of this program and of the need for concentration of all-out effort on recruitment for, and holding workers in, ship repair yards.

B. Selective Service, unions, and USES work coordinately and intensively on terminations to stop turnover and out-migration to the greatest extent possible. This phase of the program is considered by the commander, western sea frontier, and the Civil Service Commission as being as important as the intensiveness and extensiveness of stepped-up recruitment.

We are continuing to press for a "stretch-out" of maritime and Navy new ship schedules, with the exception of aircraft carriers, and postponement of new work, where possible, in the interests of the main objective of repair.

Please follow through on the items A and B under subject title "the Navy has requested" above and keep us advised of progress. We in turn will keep you posted on all developments in this vital program.

F. W. HUNTER,
Regional Director, War
Manpower Commission.

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the RECORD the memorandum sent by Paul R. Porter, chairman of the Ship Stabilization Committee, to Mr. Joseph B. Keenan, of the War Production Board, dated March 14, 1944.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MARCH 14, 1944.

Memorandum to: Joseph D. Keenan.
From: Paul R. Porter.

Subject: Application of differential for repair work to southern California shipyards.

1. When the original Pacific Coast Shipbuilding Zone Conference was held during

February and April 1941 (at San Francisco and Seattle), zone standards were adopted for new construction only. Concurrently, however, a Pacific coast repair agreement was negotiated directly between the AFL Metal Trades Unions and employers. The Government was not a party to this agreement as it was to the zone standards.

2. At that time no southern California yards under agreement with the AFL were engaged in repair work. No Los Angeles or San Diego yards therefore signed the repair agreement. It seems to have been the clear intent, however, that the terms of the repair agreement would apply in Los Angeles, at least, if and when AFL yards in that port performed repair work, since the agreement specifically refers to Los Angeles as one of the ports in which the agreement will apply. Furthermore, the agreement is consistently described as the Pacific coast ship-repair agreement.

3. Three Los Angeles yards then engaged in repair work—Bethlehem Steel, Los Angeles Dry Dock and Shipbuilding, and Craig—were and are under contract with the CIO. They have not paid the repair differential, though the Los Angeles yard appears to have paid a "dirty work" premium, which also prevailed in AFL yards before it was converted into a specific percentage payment.

4. Whether or not the repair differential would be paid in these three yards has been an unsettled issue for approximately 2 years. Last summer the Los Angeles Dry Dock and the CIO agreed to a repair differential of 11.6 percent. A dispute between Bethlehem (San Pedro yard) and the union was certified to the War Labor Board in April 1942, and was heard by a panel in the autumn of 1942. The panel referred the matter back to the company and the union for collective bargaining. They were unable to agree, and the dispute then went to the Shipbuilding Commission. About the same time the Los Angeles Dry Dock agreement was submitted to the WLB for approval.

5. About this same time a dispute concerning the repair differential between three small shipyards in San Diego and the San Diego Metal Trades Council was submitted on complaint of the San Diego unions to the Shipbuilding Commission. The commission combined these three cases with the two CIO cases—one a dispute, the other a form 10 case.

6. In the meanwhile, the A. F. of L. had signed agreements for new construction with a number of smaller yards in Los Angeles and vicinity. Several of these are also doing repair work. The Los Angeles Metal Trades Council has insisted upon these yards also signing the repair agreement (providing for an 11.6 percent differential). The yards have refused until they were assured of reimbursement from the procurement agencies. The A. F. of L. has asked the procurement agencies to recognize the Pacific coast ship repair agreement as applying to Los Angeles, but have not referred these cases to the War Labor Board.

7. The Shipbuilding Commission sent a division of the Commission to Los Angeles in late October 1943, to hear testimony in the two CIO cases and the A. F. of L. dispute in San Diego. The division recommended against the repair differential in southern California, and the Commission made this its ruling. At the time of the hearing in Los Angeles the Navy, Army, and Maritime Commission submitted a brief strongly opposing the differential.

8. It was universally recognized that the Commission ruling in these five cases would set the pattern for all southern California repair yards.

9. The CIO appealed the Shipbuilding Commission ruling to the War Labor Board. Upon learning of this, John Frey requested that he be permitted to intervene to support the request for a differential. The CIO agreed to his intervening. The WLB ap-

peals committee turned down his request, but this decision was reversed by the WLB. Frey has now requested a hearing before the WLB, and it is assumed that a hearing date will soon be set, but no date has been announced.

10. At this hearing the relationship of the Navy, Maritime Commission, and War Production Board to the repair agreement will probably be one of the major issues in the case. The following paragraphs deal with that problem.

11. The Navy and the Maritime Commission from the beginning regretted that repair work on the Pacific coast had not been brought under the zone standards. In the zone conferences that followed on the Atlantic and Gulf coasts and the Great Lakes repair work was included in the zone standards in those zones.

12. When the national shipbuilding conference was held in Chicago in May 1942, the following amendment to the zone standards in each of the four zones was adopted (sec. 3 of Chicago amendments):

"The problem of bringing about the greatest possible degree of uniformity between shipbuilding, ship repair, and ship conversion with respect to overtime and shift premiums shall be referred to zone conferences for determination."

This was regarded by the Government agencies as offering an opportunity to bring repair work on the Pacific coast under the Pacific coast zone standards.

13. A zone conference, in accordance with the foregoing clause, of labor, ship repair employers, and Navy, Maritime, and WFB, was called in San Francisco later that month (May 29, 1942). Only A. F. of L. unions, since their repair agreement differed in various important respects from CIO agreements, were invited on behalf of labor. The CIO shipyard workers were advised that a separate conference would be held later in Los Angeles with their employers, and this was wholly acceptable to them.

14. The San Francisco repair conference adopted five amendments to the Pacific coast ship repair agreement, one of which provided:

"The wage rate for repair work shall be the rate specified for new construction work in schedule A of the Pacific coast master agreement covering new ship construction plus 11.6 percent."

The preamble to these amendments stated:

"A. F. of L. representatives of organized labor, management, the War Production Board, the Navy Department, and the United States Maritime Commission hereby propose to amend as follows the Pacific coast ship repair agreement dated April 1, 1941, at Seattle, Wash., subject to final ratification on approval by the principals of the representatives attending the Pacific coast ship repair conference at San Francisco, which convened May 29, 1942."

The fifth amendment concerning an effective date also provided:

"When ratified and approved by the parties hereto, all the foregoing modifications shall become effective on a date not more than 15 nor less than 30 days from the date on which the parties shall have notified the chairman of the Shipbuilding Stabilization Committee of ratification or approval and his certification of ratification and approval and his designation of the effective date, as above provided for, shall be final and binding."

No Los Angeles employers participated in this conference, since no yards in which the A. F. of L. was the bargaining agent were then engaged in repair work. The Los Angeles Metal Trades Council did participate, as did delegates from the five local unions in Los Angeles. One of them served on the conference working committee. The propriety of their participation was not raised. Nor was the application or nonapplication of the repair differential to Los Angeles raised. I think it accurate to say that the payment of the

repair differential in Los Angeles A. F. of L. repair yards was assumed by all present. The only conference discussion concerning whether or not the repair differential was universally applicable in the zone was in reference to arguments made against it by small boat builders in the northwest who previously had not paid the differential. Their objections were not accepted by the conference, and they thereafter paid the repair rate for repair work.

Following the conference, I was notified in my capacity as chairman of the Shipbuilding Stabilization Committee of ratification or approval by the A. F. of L. unions (including the Los Angeles Metal Trades Council), by various shipyards who had participated (but none from Los Angeles), by Assistant Secretary of the Navy Bard, and by Chairman Lund of the Maritime Commission. Mr. Lund verbally approved for WFB.

15. Initially the Government agencies had asked the conference to bring the repair agreement under the zone standards. The conference did not do so, insofar as specifically stating that the newly adopted clauses governing repair work were deemed to be an addition to zone standards. Whether or not, however, the repair amendments became a part of the zone standards in a technical sense, exactly that purpose was accomplished when the three Government agencies became a party to the repair amendments.

The conference action was at that time and for more than a year afterwards firmly regarded by WFB, the Navy, and the Maritime Commission as making them parties to the five amendments to the Pacific coast ship repair agreement. This view was supported by:

(a) The preamble's designation of the three agencies as parties to the agreement;

(b) The fact that the chairman of the Shipbuilding Stabilization Committee was designated as the person who would be notified of ratification, and who was authorized to proclaim the amendments upon ratification, to be in effect, and whose certification would be accepted by Government, management, and labor as final and binding;

(c) The formal notices of approval from the Navy and Maritime Commission; and

(d) The following excerpts from the official minutes:

(1) From page 4, Minutes of Working Committee, Monday afternoon session, June 1, 1942:

"Mr. Ring reported for the drafting committee. . . . Mr. Ring pointed out that both management and Government representatives of the drafting committee thought that any amendment arrived at at this conference would automatically make the Government a party to the existing agreements insofar as those amended rules were concerned, but that the labor members thought that the amendments arrived at would only change the existing agreement, but did not automatically make the Government a party thereto."

(2) Page 6, same:

"Mr. Wynn (chairman of labor delegation) again raised the question of whether or not the Government would now be a party to the existing repair agreement. Mr. Ring expressed the opinion of the Government representatives that it would be so considered insofar as these parts which would be amended would be concerned."

This ended the conference discussion of the Government as a party to the agreement, with the working (negotiating) committee, as distinct from the drafting committee, accepting the Government position without further question.

During July 1943, at the later Pacific Coast Zone Conference, one of the labor members of the 1942 conference working committee disputed the Government position that it had become a party to the repair amendments. Mr. Frey, who attended the repair conference, holds that the Government

agencies did become a party to the five amendments, and so far as I know has held that view consistently since the conference.

16. A second repair conference for the CIO and the employers with whom it has agreements was held at Long Beach, Calif., in early September 1942. The union requested adoption of the repair differential in CIO repair yards. The employers refused, and the conference adjourned without agreement. At that time the Bethlehem (San Pedro yard) dispute was pending before the WLB. On October 12, 1942, I wrote to the procurement agencies concerning the dispute case as follows:

"It is the opinion of the chairman that if a recommendation is to be made to the National War Labor Board by the Government agencies represented on the Shipbuilding Stabilization Committee it should recommend the allowance of payment of the ship repair differential for repair work in the Bethlehem Steel Co.'s San Pedro yard."

On October 21, 1942, Mr. Ring wrote to me: "I am in favor of supporting the recommendations set forth in your memorandum of October 12, 1942, which would apply the 11.6 percent differential to repair work done in the San Pedro area."

Representatives of the Navy Department verbally stated that they believed no recommendation should be made to the WLB, and accordingly, none was made.

17. Recently, the Navy, Army, and Maritime Commission have adopted the view that the Government agencies are not a party to the amendments to the repair agreement, a view contrary to that firmly held at the time the amendments were adopted and for more than a year afterward. When the Shipbuilding Commission held its hearing in Los Angeles last October on the question of the repair differential in five southern California yards, the procurement agencies, without consulting the WPB, filed a brief with the Commission objecting to a repair differential in southern California.

18. The procurement agencies, in taking this independent action, have apparently done so without careful study of the repair conference record or the formal approval of the conference action by the Navy Department and the Maritime Commission. From the conference record it seems clear that:

(a) WPB, Navy, and Maritime Commission are definitely parties to the repair amendments, one of which specifies repair rates 11.6 percent higher than new construction rates in the same classifications.

(b) No consideration was given by the repair conference to excluding Los Angeles from the repair amendments; the only consideration of any exception was in reference to small boat builders in the Puget Sound area and this was rejected.

19. No other portion of the repair amendments has been objected to at any time by the procurement agencies insofar as their application to Los Angeles is concerned.

20. The situation described above presents an especially difficult problem for me. It was upon my certification that the repair amendments were put into effect. I certainly would never have certified, as I did on July 14, 1942, that the repair amendments had been ratified without receipt of notices of approval from the Navy and Maritime Commission, because any other course would have been a breach of faith. All parties agreed that my certification would be final and binding. I desire not to embarrass the procurement agencies. But if I am called upon to testify at the War Labor Board hearing, which is likely, I will have no choice except to testify that the Navy and Maritime Commission became a party to the repair amendments.

Mr. MORSE. This record I think at least establishes prima facie evidence, if not controlling evidence, that the procurement agencies were parties to the San

Francisco Conference, and certainly justified the parties to that conference in believing and assuming that the agreements reached were to be uniformly applied throughout the west coast. Thus I call attention to a telegram among this material which will be inserted in the RECORD, known as attachment A. It is dated June 30, 1942, from Mike Stafford, San Francisco, to Paul R. Porter, chairman, Shipbuilding Stabilization Committee, Office of the War Production Board, and reads as follows:

Unions affiliated with the following Pacific Coast Metal Trades Councils have unanimously ratified the proposed modifications of both the Chicago and the San Francisco conferences: San Diego, Los Angeles, Eureka, Portland, Tacoma, and Seattle. The Bay Cities Metal Trades Council voted 24 in favor of Chicago proposals, 2 unions against both Chicago and San Francisco proposals, and 3 unions favored one proposal and voted against the other proposals but overwhelmingly approved as it concerns the Pacific coast.

That telegram was sent to Mr. Porter who was representing the Government of the United States. It leaves no room for question that certainly the metal trades council was laboring under the impression that the agreement applied to the west coast.

The next telegram is dated Los Angeles, June 30, 1942, as follows:

PAUL PORTER,
Chairman, Shipbuilding Stabilization Committee;

Seven additional unions affiliated with the Los Angeles Metal Trades Council have voted approval to both amendments recommended at Chicago and San Francisco shipbuilding conferences. All unions having members working in shipyards have voted approval to both propositions.

M. A. KOCH.

Then there is a letter under date of June 9, 1942, from Ralph A. Bard, Under Secretary of the Navy, to Paul R. Porter, chairman of the Shipbuilding Stabilization Committee, War Production Board, Washington, D. C., as follows:

The Navy Department hereby approves the proposed amendments to the Pacific coast repair agreement, dated April 1, 1941, adopted at the Pacific coast ship repair conference held in San Francisco, California, between the dates of May 29 and June 1, 1942.

Then follows a letter under date of June 15, 1942, addressed to Mr. Paul R. Porter, and signed by E. S. Land, Chairman, United States Maritime Commission, as follows:

DEAR MR. PORTER: The Maritime Commission hereby approves the proposed amendments to the Pacific coast ship repair agreement, dated April 1, 1941, adopted at the Pacific Coast Ship Repair Conference held in San Francisco, Calif., between the dates of May 29 and June 1, 1942.

Then a letter of October 21, 1942, to Mr. Porter from Daniel S. Ring, as follows:

I am in favor of supporting the recommendations set forth in your memorandum of October 12, 1942, which would apply the 11.6 percent differential to repair work done in the San Pedro area.

That is the Los Angeles area. On this occasion Mr. Ring was the representative and spokesman of the United States Maritime Commission.

A memorandum of October 12, 1942, referred to by Mr. Ring in his letter to Mr. Porter. The memorandum was sent by Mr. Porter to Admiral C. W. Fisher, Mr. Daniel S. Ring, and Capt. John J. Lane. Mr. President, in spite of the lateness of the hour, I shall read this memorandum into the RECORD.

OCTOBER 12, 1942.

Memorandum to: Admiral C. W. Fisher, Mr. Daniel S. Ring, Capt. John J. Lane.

From: Paul R. Porter.

Subject: Recommendation for extending repair differential to San Pedro shipyards.

A labor dispute between the Bethlehem Steel Co.'s San Pedro yard and Local 9, IUMSWA (CIO) involving wages and other conditions of work in that shipyard is now pending before the National War Labor Board. A hearing has been held and the panel is about to render its report to the Board. One of the most important issues to be decided is whether the 11.6 percent differential, established by the Pacific coast ship-repair agreement, as amended on May 29, 1942, should be applied to repair work done in the San Pedro area.

The importance of a decision by the National War Labor Board on this issue, insofar as it is closely related to the general program and policy of the Shipbuilding Stabilization Committee, makes it advisable to determine the position of the Government representatives and to examine the advisability of making a recommendation to the National War Labor Board.

The amendments of May 16, 1942, to the zone standards provided for a conference, to be held on the Pacific coast, to bring repair work under the Pacific coast zone standards agreements. On May 29, 1942, a conference convened at San Francisco. Representatives of the governmental agencies, of the AFL unions, and of the shipyards with whom the latter had contracts, participated. A tripartite amendment of the Pacific coast ship repair agreement, relating to the conditions of work in all repair yards having contracts with the Pacific Coast District Metal Trades Council, was adopted. As a result of the conference, a rate 11.6 percent above the standard skilled mechanics rate for new construction was agreed upon, and has been paid.

Representatives of the repair yards and of Local 9, IUMSWA, CIO, in the San Pedro area, were not invited to this conference. The union has requested the same differential be granted to its members as has been allowed to AFL repair workers.

After several postponements, a conference was convened on September 8, 1942, at Los Angeles with representatives of the San Pedro repair yards, the union and the Government. The issue of extension of the differential was to be determined on the basis of a record of testimony taken there. The shipyard representatives opposed extension on the ground that there had never been a difference between repair and new construction in this area. The union demanded the differential since it had been applied elsewhere along the west coast.

In informal discussion among representatives of the Government agencies, the wisdom of extending the differential has been challenged on the ground that—

1. The extension of the differential to the Los Angeles area, where it did not exist by custom, provides a precedent which will be used to justify the establishment of differentials in the other three shipbuilding stabilization committee zones.

2. The application of Executive Orders 9240 and 9250 to the ship-repair industry could well be utilized to reevaluate the zone picture and to entirely eliminate the differential, rather than extend it.

It is the opinion of the chairman that if a recommendation is to be made to the

National War Labor Board by the Government agencies represented on the Shipbuilding Stabilization Committee it should recommend the allowance of payment of the ship-repair differential for repair work in the Bethlehem Steel Co.'s San Pedro yard. In that event, a copy of the recommendation, with a statement of the reasons for it, should be supplied to the Bethlehem Steel Co. The opinion of the chairman is founded on the following facts, which may be used as the basis for the recommendation:

1. The Shipbuilding Stabilization Committee program is predicated upon standards which apply uniformly throughout the zones. The operation of the Zone Standards Agreements has not demonstrated a need for the introduction of subzones, nor do grounds now appear to exist which establish the need for subzones.

2. The failure to extend the differential will unsettle labor relations in the area, since the CIO members will consider it an unwarranted preference of the A. F. of L. The potentiality exists, too, that the A. F. of L. may use the discriminatory treatment to create disaffection in the ranks of the CIO.

3. The cost of extending the differential in dollars and cents will be small, since the number of employees affected does not exceed 3,000. The number of repair workers already receiving the differential is many times larger. On the other hand, the potential of mischief that may result from a refusal is large.

Mr. President, in closing I wish to say three things:

First, I think it is imperative, if we are to settle the controversy which is raging on the west coast, that representatives of the procurement agencies, representatives of the National War Labor Board, and representatives of the other parties concerned, sit down at an early hour to see if they can reach some agreement as to how this dispute of many months standing can be settled on a nondiscriminatory basis.

Second, I respectfully urge upon the parties concerned that they recognize that if ever we had a case for the application of the rare and exceptional case doctrine, this is such a case. I grant that the doctrine has been used sparingly, and I wish to say in fairness that in decision after decision I have rejected the application of the doctrine where there was a failure to show that the wage sought was absolutely essential in the interest of the war effort. But I cannot imagine a state of facts which would to a greater extent justify the application of the doctrine than the particular facts of this case.

I believe that the hands of the Government are not clean in this case. I think they are not clean partly due to pure innocence and misjudgment. I think it is quite understandable that the workers should have been led to believe that there was to be a great cutback in employment, with the results which we are noting today in the press. Nevertheless, I think there is a great obligation on the part of the Government to proceed without further delay to stop the migration from the shipyards by bringing about immediately an equitable, nondiscriminatory settlement of the issue which is causing so much trouble.

Third and last, Irrespective of what blame may be laid at the door of Government, irrespective of whether or not the decisions in this case to date are sound decisions, the fact remains that

organized labor on the west coast has a great opportunity in this instance to rise to great heights of industrial statesmanship and proceed without further delay to demonstrate to the Government and to the people of the country, as well as to the boys who are fighting the great battle of the Pacific, that its members are going to return to the shipyards in the great numbers needed even before this controversy is settled, to the end that the ships may be repaired at the earliest possible moment.

I am confident that when the problem is presented to the workers in that light they will meet the challenge and return to the yards and see to it that the ships are repaired. But their movement back should not be accepted by this Government as a justification for further laches. It should not be accepted by this Government as justification for the conclusion that the problem has been solved because labor once more has risen to its patriotic duty.

Mr. President, a great injustice is involved in this matter, and there is an obligation on the part of the Government officials concerned to see to it that the basic cause of it, which is the application of a discriminatory principle, is removed from the scene. I have great confidence that if the Government proceeds in good faith, it will find that management and labor on the west coast will see to it that manpower is provided immediately for the repair of those ships.

In closing, I trust that the policy of recrimination and name calling on the part of any governmental official toward labor will cease. It does not solve labor problems. It creates them.

EXTENSION OF OPERATIONS OF OPA— FILING OF MINORITY VIEWS

Mr. BARKLEY. Mr. President, today the Senator from New York [Mr. WAGNER], chairman of the Committee on Banking and Currency, filed a report of the committee on the bill extending the operations of the OPA. The Senator from Ohio [Mr. TAFT] has advised me that he desires to file minority views. I ask unanimous consent that he have until 12 o'clock tonight to file the minority views.

The PRESIDENT pro tempore. Without objection, it is so ordered.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 3024) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes.

Mr. BARKLEY. Mr. President, it is my purpose to move in a moment that the Senate take a recess until Wednesday. Before doing so, let me say that after consulting the Senator from Arizona [Mr. HAYDEN], who is in charge of the pending appropriation bill, and the Senator from Ohio [Mr. BURTON], I ask unanimous consent that the Senate proceed to vote at an hour not later than 1:15 p. m., on Wednesday, on all pending amendments to the appropriation bill, and that the time be divided equally between the Senator from Ohio and the Senator from Arizona.

The PRESIDENT pro tempore. Is there objection?

Mr. BURTON. Mr. President, I understand that the requested unanimous-consent agreement refers to the Central Valley project amendment appearing on page 66, beginning in line 19. Are there any other amendments which are likely to be under consideration at that time?

Mr. BARKLEY. There are no other pending amendments, but I understand that the Senator from North Dakota will offer a slight amendment which the Senator from Arizona will accept and will agree to take to conference. Aside from them, I know of no others.

Mr. BURTON. Mr. President, the unanimous-consent agreement which has been requested is entirely satisfactory.

The PRESIDENT pro tempore. Without objection, the unanimous-consent agreement proposed by the Senator from Kentucky is entered into.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc and that the President be notified forthwith of the confirmation of the nominations.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc; and, without objection, the President will be notified forthwith.

RECESS TO WEDNESDAY

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Wednesday next.

The motion was agreed to; and (at 6 o'clock and 12 minutes p. m.) the Senate took a recess until Wednesday, June 6, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 4, 1945:

DIPLOMATIC AND FOREIGN SERVICE

Paul H. Alling, of Connecticut, a Foreign Service officer of class 2, to act as diplomatic agent of the United States of America at Tangier, Morocco.

THE JUDICIARY

UNITED STATES DISTRICT JUDGE

Arthur A. Koscinski, of Michigan, to be United States district judge for the eastern district of Michigan, vice Arthur J. Tuttle, deceased.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES MEDICAL CORPS

To be colonel

Lt. Col. Henry Stevens Blesse, Medical Corps (temporary colonel), with rank from May 25, 1945.

To be majors

Capt. Tom French Whayne, Medical Corps (temporary colonel), with rank from May 16, 1945.

Capt. Erling Severre Fugelso, Medical Corps (temporary lieutenant colonel), with rank from May 17, 1945.

Capt. Joseph Garber Cocke, Medical Corps (temporary colonel), with rank from May 23, 1945.

Capt. Alfonso Michael Libaschi, Medical Corps (temporary colonel), with rank from May 25, 1945.

Capt. Ralph Torrey Stevenson, Medical Corps (temporary colonel), with rank from May 29, 1945.

Capt. Frank Owings Alexander, Medical Corps (temporary lieutenant colonel), with rank from June 1, 1945.

Capt. John Benson Grow, Medical Corps (temporary colonel), with rank from June 2, 1945.

Capt. Daniel John Walligora, Medical Corps (temporary colonel), with rank from June 10, 1945.

Capt. Dell Fred Dullum, Medical Corps (temporary lieutenant colonel), with rank from June 13, 1945, subject to examination required by law.

Capt. Byron Ludwig Steger, Medical Corps (temporary colonel), with rank from June 17, 1945.

Capt. Louie Render Braswell, Medical Corps (temporary colonel), with rank from June 19, 1945.

To be captains

First Lt. John Mark McIver, Medical Corps (temporary captain), with rank from May 15, 1945.

First Lt. George Thomas Kelleher, Medical Corps (temporary captain), with rank from May 16, 1945.

First Lt. Samuel Hope Sandifer, Medical Corps (temporary captain), with rank from May 19, 1945.

First Lt. John Charles Cressler, Medical Corps (temporary captain), with rank from June 3, 1945.

First Lt. Francis William Lanard, Medical Corps (temporary captain), with rank from June 17, 1945.

First Lt. Louis Axelrod, Medical Corps (temporary captain), with rank from June 24, 1945.

First Lt. Keith Duane Heuser, Medical Corps (temporary captain), with rank from June 25, 1945.

First Lt. Thomas Lewis Ozment, Medical Corps (temporary lieutenant colonel), with rank from June 26, 1945, subject to examination required by law.

CHAPLAIN

To be major

Chaplain (Capt.) Elmer Emil Tiedt, United States Army (temporary lieutenant colonel), with rank from June 17, 1945.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 4, 1945:

POSTMASTERS

TENNESSEE

Cecil G. Bowling, Rockvale.
Frances D. Thomas, Hickman.
Fred W. Butler, Pruden.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 4, 1945

The House met at 12 o'clock noon.

Lt. Col. Donald C. Stuart, post chaplain, Walter Reed Hospital, offered the following prayer:

Most gracious God, we humbly beseech Thee, as for the people of these United States in general, so especially for these their Representatives in Congress assembled, that Thou wouldst be pleased to direct and prosper all their consultations, to the advancement of Thy glory, the safety, honor, and welfare of Thy people; that all things may be so ordered and settled by their endeavors, upon the best and surest foundations; that peace and happiness, truth and justice, religion and piety may be established among us for all generations. Especially we pray that by Thy guidance these Thy servants may provide in all haste for the successful conclusion of the war and the establishment of a just and abiding peace among the nations of the earth. These and all other necessities, for them, and for us, we humbly beg in Thy holy name. Amen.

The Journal of the proceedings of Friday, June 1, 1945, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 60. Concurrent resolution authorizing the printing as a public document of a revised edition of House Document No. 619, Seventy-seventh Congress, entitled "Our American Government: What Is It? How Does It Function?" and providing for the printing of additional copies thereof.

The message also announced that the Senate agrees to the amendment of the House to a joint resolution of the Senate of the following title:

S. J. Res. 66. Joint resolution to extend the statute of limitations in certain cases.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of the Treasury.
4. Department of War.
5. Federal Security Agency.
6. National Archives.
7. Office of Civilian Defense.
8. Selective Service System.
9. Tennessee Valley Authority.

CONTINUATION OF CERTAIN SUBSIDY PAYMENTS BY CORPORATIONS UNDER THE RECONSTRUCTION FINANCE CORPORATION ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 502) to permit the continuation of certain subsidy payments and certain purchase and sale operations by corporations created pursuant to section 5d (3) of the Reconstruction Finance Corporation Act, as amended, and for other purposes, with a House amendment, insist on the amendment of the House, and ask for a conference, and that conferees be appointed.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. WOLCOTT, and Mr. CRAWFORD.

GEN. DWIGHT D. EISENHOWER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the Appendix of the Record.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[Mr. McCORMACK addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the Record and include short addresses delivered by Mr. W. A. Lloyd and myself at the exercises held when the auditorium of the Department of Agriculture was dedicated in honor of Thomas Jefferson.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ELLIOTT asked and was given permission to extend his own remarks in the Appendix of the Record.

Mr. BATES of Kentucky asked and was given permission to extend his remarks in the Record and include a speech made on Memorial Day at Arlington National Cemetery by War Mobilization Director Fred M. Vinson.

Mr. KIRWAN asked and was given permission to extend his remarks in the Record and include an editorial from the Columbus Dispatch.

Mr. EBERHARTER asked and was given permission to extend his remarks in the Record and insert an address delivered by Hon John J. Baker, assemblyman of the Commonwealth of Pennsylvania.

Mr. EBERHARTER asked and was given permission to extend his remarks in the Record and insert a memorandum concerning the authorship of the Pledge of Allegiance to the Flag of the United States of America.

Mr. ANDREWS of Alabama asked and was given permission to extend his remarks in the Record and include a speech by Jimmie Chappell.